

CISNEROS DECLARATION
EXHIBIT 7
REDACTED VERSION
(Part 4 of 5)

Appendix B: Materials Relied Upon

<u>Court Documents</u>
Plaintiffs' Notice of Motion and Motion for Class Certification, and Memorandum of Law in Support (October 1, 2012)
Consolidated Amended Complaint in Re: High-Tech Employee Antitrust Litigation (September 2, 2011)
Expert Report of Edward E. Leamer, Ph.D. (October 1, 2012)
Leamer Backup
Plaintiffs' First Set of Requests for Production of Documents (October 3, 2011)
Declaration of Tina M. Evangelista in Support of Opposition to Class Certification
Declaration of Chris Galy
Declaration of Danny McKell in Support of Defendant's Opposition to Plaintiff's Motion for Class Certification
Declaration of Donna Morris of Adobe Systems Inc. in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification
Declaration of Frank Wagner in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification
Declaration of Jeff Vijungco of Adobe Systems Inc. in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification
Declaration of Lori McAdams in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification
Declaration of Mason Stubblefield
Declaration of Michelle Maupin in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification
Declaration of Steven Burmeister in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification
Declaration of Rosemary Arriada Keiper of Adobe Systems Inc. in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification
Deposition of Lori McAdams and Exhibits (August 2, 2012)
Deposition of Arnnon Geshuri and Exhibits (August 17, 2012)
Deposition of Danielle Lambert and Exhibits (October 2, 2012)
Deposition of Donna Morris and Exhibits (August 21, 2012)
Deposition of James Morris and Exhibits (August 3, 2012)
Deposition of Jeffrey Vijungco and Exhibits (October 5, 2012)
Deposition of Mark Bentley and Exhibits (August 23, 2012)
Deposition of Michael Devine and Exhibits (October 24, 2012)
Deposition of Brandon Marshall and Exhibits (October 22, 2012)
Deposition of Daniel Stover and Exhibits (October 29, 2012)
Deposition of Mark Fichtner and Exhibits (October 15, 2012)
Deposition of Siddharth Hariharan and Exhibits (October 12, 2012)
Deposition of Edward Leamer and Exhibits (October 26, 2012)

Deposition of Jack Gilmore and Exhibits (June 28, 2012)
Deposition of Denise Miller and Exhibits (June 28, 2012)
Deposition of Steven Burmeister and Exhibits (June 27, 2012)
Deposition of Shawna Dougherty and Exhibits (July 12, 2012)
Deposition of Mai Tran and Exhibits (June 26, 2012)
Deposition of John Schirm and Exhibits (June 29, 2012)
Deposition of Jaime Yu and Exhibits (July 17, 2012)
Deposition of Matthew Howard and Exhibits (July 17, 2012)
Deposition of Shiloh Kuz and Exhibits (June 26, 2012)
Deposition of Michelle Deneau and Exhibits (June 26, 2012)
Deposition of Robert DeMartini and Exhibits (June 26, 2012)
Deposition of Rebecca del Torro and Exhibits (June 21, 2012)
Deposition of Amber Gay Remaley and Exhibits (June 21, 2012)
Deposition of Mary Kathleen Galle and Exhibits (June 21, 2012)
Deposition of Eleterio Cruzat and Exhibits (June 22, 2012)
Plaintiff Michael Devine's Answers and Objections to Defendants' First Set of Interrogatories (March 27, 2012)
Plaintiff Mark Fichtner Answers and Objections to Defendants' First Set of Interrogatories (March 28, 2012)
Plaintiff Siddharth Hariharan's Answers and Objections to Defendants' First Set of Interrogatories (March 27, 2012)
Plaintiff Brandon Marshall's Answers and Objections to Defendants' First Set of Interrogatories (March 27, 2012)
Plaintiff Daniel Stover's Answers and Objections to Defendants' First Set of Interrogatories (March 28, 2012)
Final Judgment in United States of America v. Adobe Systems Inc. et al (March 17, 2011)
[Proposed] Final Judgment in United States of America v. Lucasfilm Ltd. (May 9, 2011)
<u>Interviews Conducted by Kevin Murphy</u>
August 23, 2012: Jeff Vjungco, Adobe
August 23, 2012: Donna Morris, Adobe
July 27, 2012: Interview with Mark Bentley, Apple
August 30, 2012: Interview with Steve Burmeister, Apple
August 31, 2012: Interview with Seth Williams, Google
August 30, 2012: Interview with Frank Wagner, Google
July 25, 2012: Interview with Christina Dickenson, Intel
June 19, 2012: Interview with Danny McKell, Intel
July 26, 2012: Interview with Mason Stubbenfeld, Intuit
September 6, 2012: Interview with Chris Galy, Intuit
August 30, 2012: Interview with Michelle Maupin, Lucasfilm
August 16, 2012: Interview with Laurie McAdams, Pixar

<u>Academic Papers</u>
Albert Rees, "The Role of Fairness in Wage Determination," 11 Journal of Labor Economics 243 (1993)
Alexandre Mas, "Pay, Reference Points, and Police Performance," 121 Quarterly Journal of Economics 783 (2006)
Angrist, Joshua D. and Jörn-Steffen Pischke. Mostly Harmless Econometrics, Chapter 8.2. New Jersey: Princeton University Press, 2009
Ausubel, Lawrence M., Peter Cramton, and Raymond J. Deneckere, "Bargaining with Incomplete Information," Handbook of Game Theory, Aumann, Robert J. and Sergiu Hart, eds., Vol. 3, Amsterdam: Elsevier Science B.V., Chapter 50, 2002
Bartel, Ann P. and George J. Borjas, "Middle-Age Job Mobility: Its Determinants and Consequences," Working Paper No. 161, NBER Working Paper Series, January 1977
Borjas, George J. "Job Mobility and Earnings Over the Life Cycle," Working paper No. 233, NBER Working Paper Series, February 1978
Davidson, Russell and James G. MacKinnon. Econometric Theory and Methods. Oxford University Press, Inc. 2004
Edward E. Leamer, "Let's Take the Con Out of Econometrics," 73 The American Economic Review 1 (1983)
Freeman, Richard B. and James L. Medoff. What Do Unions Do? New York: Basic Books, 1984
Gary Becker, "Nobel Lecture: The Economic Way of Looking at Behavior," 101 Journal of Political Economy 385 (June 1993)
Greene, William H. Econometric Analysis: 6th Edition, Chapter 9.3.3 New Jersey: Pearson Prentice Hall, 2008
Grossman, Sanford J. and Motty Perry, "Sequential Bargaining under Asymmetric Information," Academic Press, revised February 2, 1986
Hirsch, Barry T. "Sluggish Institutions in a Dynamic World: Can Unions and Industrial Competition Coexist?," Journal of Economic Perspectives, vol. 22(1), Winter 2008
Honoree, Andre I. and David E. Terpstra. "The Relative Importance of External, Internal, Individual and Procedural Equity to Pay Satisfaction," Compensation & Benefits Review, November/December 2003
Joseph Stiglitz, "Information and the Change in the Paradigm in Economics," 92 American Economic Review 460 (2002)
Robert H. Topel and Michael P. Ward, "Job Mobility and the Careers of Young Men," 107 The Quarterly Journal of Economics 2 (1992)
William Samuelson, "Bargaining Under Asymmetric Information," Econometrica 52 (1984)
<u>Websites</u>
http://online.wsj.com/article/SB10001424052970203750404577173031991814896.html
http://online.wsj.com/article/SB124269038041932531.html
http://techcrunch.com/2007/11/21/facebook-stealing-googlers-at-an-alarming-rate/
http://www.aeaweb.org/honors_awards/clark_medal.php
http://www.dailytech.com/Google+Finds+That+Perks+Cant+Keep+Some+Employees+From+Leaving/article11794.htm

<u>Bates Documents</u>
76550DOC000014
231APPLE04166
76583DOC001487
<u>Other</u>
Pixar Data - Pixar revenues 2005 - 2011.xlsx

Appendix 1A

Analysis of Hires from Other Defendants

(All-Salaried Employee Class)

Panel A: 2001-2012

Hiring Company	Last Previous Company within 1 year						Percentage of Row Total					
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google
Adobe												
Apple												
Google												
Intel												
Intuit												
Lucasfilm												
Pixar												
All Defendants	222	218	54	293	98	37	35	91,014	91,971	0.24%	0.24%	0.06%

Panel B: 2001-2004

Hiring Company	Last Previous Company within 1 year						Percentage of Row Total					
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google
Adobe												
Apple												
Google												
Intel												
Intuit												
Lucasfilm												
Pixar												
All Defendants	34	45	0	34	15	6	5	23,042	23,181	0.15%	0.19%	0.00%

Panel C: 2005-2009

Hiring Company	Last Previous Company within 1 year						Percentage of Row Total					
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google
Adobe												
Apple												
Google												
Intel												
Intuit												
Lucasfilm												
Pixar												
All Defendants	104	97	27	167	44	17	18	43,595	44,069	0.24%	0.22%	0.06%

Panel D: 2010-2012

Hiring Company	Last Previous Company within 1 year						Percentage of Row Total					
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google
Adobe												
Apple												
Google												
Intel												
Intuit												
Lucasfilm												
Pixar												
All Defendants	84	76	27	92	39	14	12	24,377	24,721	0.34%	0.31%	0.11%

Note: This analysis excludes hires indicated as acquisitions and hires showing the same defendant company as their immediate previous employer within one year of the hiring.
Source: Dr. Leamer's employee data.

Appendix 1B

Analysis of Separations Going to Other Defendants

(All-Salaried Employee Class)

Panel A: 2001-2012

Separation Company	Next Company within 1 year						Percentage of Row Total					
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google
Adobe												
Apple												
Google												
Intel												
Intuit												
Lucasfilm	0	9	15	1	0	0	12	1,490	1,527	0.00%	0.59%	0.98%
Pixar	0	11	6	2	0	7		726	752	0.00%	1.46%	0.80%
All Defendants	122	326	336	35	74	15	31	72,287	73,226	0.17%	0.45%	0.46%

Panel B: 2001-2004

Separation Company	Next Company within 1 year						Percentage of Row Total					
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google
Adobe												
Apple												
Google												
Intel												
Intuit												
Lucasfilm	0	3	2	0	0	0	4	580	589	0.00%	0.51%	0.34%
Pixar	0	2	1	0	0	3		229	235	0.00%	0.85%	0.43%
All Defendants	28	55	24	3	22	5	9	25,399	25,545	0.11%	0.22%	0.09%

Panel C: 2005-2009

Separation Company	Next Company within 1 year						Percentage of Row Total					
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google
Adobe												
Apple												
Google												
Intel												
Intuit												
Lucasfilm	0	3	5	1	0	0	5	655	669	0.00%	0.45%	0.75%
Pixar	0	4	3	2	0	2		329	340	0.00%	1.18%	0.88%
All Defendants	70	151	182	17	39	8	16	35,375	35,858	0.20%	0.42%	0.51%

Panel D: 2010-2012

Separation Company	Next Company within 1 year						Percentage of Row Total					
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google
Adobe												
Apple												
Google												
Intel												
Intuit												
Lucasfilm	0	3	8	0	0	0	3	255	269	0.00%	1.12%	2.97%
Pixar	0	5	2	0	0	2		168	177	0.00%	2.82%	1.13%
All Defendants	24	120	130	15	13	2	6	11,513	11,823	0.20%	1.01%	1.10%

Note: This analysis excludes separations that appear as immediately rehired by the same defendant company within one year.
Source: Dr. Leamer's employee data.

Appendix 1C

Analysis of Hires from Other DNCC Defendants (All-Salaried Employee Class)

Panel A: 2001-2012

Hiring Company	Last Previous Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	16	1,353	1,369	1.17%	98.83%
Pixar	21	1,346	1,367	1.54%	98.46%
All Defendants	725	91,246	91,971	0.79%	99.21%

Panel B: 2001-2004

Hiring Company	Last Previous Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	4	403	407	0.98%	99.02%
Pixar	7	432	439	1.59%	98.41%
All Defendants	110	23,071	23,181	0.47%	99.53%

Panel C: 2005-2009

Hiring Company	Last Previous Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	10	789	799	1.25%	98.75%
Pixar	10	664	674	1.48%	98.52%
All Defendants	346	43,723	44,069	0.79%	99.21%

Panel D: 2010-2012

Hiring Company	Last Previous Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	2	161	163	1.23%	98.77%
Pixar	4	250	254	1.57%	98.43%
All Defendants	269	24,452	24,721	1.09%	98.91%

Notes:

This analysis excludes hires indicated as acquisitions and hires showing the same defendant company as their immediate previous employer within one year of the hiring.

Adobe allegedly had a DNCC agreement with Apple.

Apple allegedly had DNCC agreements with Adobe, Google, Intel, Intuit, Lucasfilm, and Pixar.

Google allegedly had DNCC agreements with Apple, Intel, and Intuit.

Intel allegedly had DNCC agreements with Apple, Google, and Pixar.

Intuit allegedly had DNCC agreements with Apple and Google.

Lucasfilm allegedly had DNCC agreements with Apple and Pixar.

Pixar allegedly had DNCC agreements with Apple, Intel, and Lucasfilm.

Source: Dr. Leamer's employee data.

Appendix 1D

Analysis of Separations Going to Other DNCC Defendants (All-Salaried Employee Class)

Panel A: 2001-2012

Separation Company	Next Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	21	1,506	1,527	1.38%	98.62%
Pixar	20	732	752	2.66%	97.34%
All Defendants	712	72,514	73,226	0.97%	99.03%

Panel B: 2001-2004

Separation Company	Next Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	7	582	589	1.19%	98.81%
Pixar	5	230	235	2.13%	97.87%
All Defendants	116	25,429	25,545	0.45%	99.55%

Panel C: 2005-2009

Separation Company	Next Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	8	661	669	1.20%	98.80%
Pixar	8	332	340	2.35%	97.65%
All Defendants	350	35,508	35,858	0.98%	99.02%

Panel D: 2010-2012

Separation Company	Next Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	6	263	269	2.23%	97.77%
Pixar	7	170	177	3.95%	96.05%
All Defendants	246	11,577	11,823	2.08%	97.92%

Notes:

This analysis excludes separations that appear as immediately rehired by the same defendant company within one year.

Adobe allegedly had a DNCC agreement with Apple.

Apple allegedly had DNCC agreements with Adobe, Google, Intel, Intuit, Lucasfilm, and Pixar.

Google allegedly had DNCC agreements with Apple, Intel, and Intuit.

Intel allegedly had DNCC agreements with Apple, Google, and Pixar.

Intuit allegedly had DNCC agreements with Apple and Google.

Lucasfilm allegedly had DNCC agreements with Apple and Pixar.

Pixar allegedly had DNCC agreements with Apple, Intel, and Lucasfilm.

Source: Dr. Leamer's employee data.

Appendix 2A

Analysis of Hires from Other Defendants (Technical, Creative and R&D Class)

Panel A: 2001-2012

Hiring Company	Last Previous Company within 1 year							Percentage of Row Total								
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
Adobe																
Apple																
Google																
Intel																
Intuit																
Lucasfilm	0	5	0	0	0	0	6	532	543	0.00%	0.92%	0.00%	0.00%	0.00%	0.00%	1.10%
Pixar	2	7	3	1	2	8		762	785	0.25%	0.89%	0.38%	0.13%	0.25%	1.02%	
All Defendants	159	150	29	191	59	24	25	53,110	53,747	0.30%	0.28%	0.05%	0.36%	0.11%	0.04%	0.05%

Panel B: 2001-2004

Hiring Company	Last Previous Company within 1 year							Percentage of Row Total								
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
Adobe																
Apple																
Google																
Intel																
Intuit																
Lucasfilm	0	0	0	0	0	0	1	56	57	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.75%
Pixar	0	3	0	0	1	1		234	239	0.00%	1.26%	0.00%	0.00%	0.42%	0.42%	
All Defendants	17	32	0	17	7	3	2	12,271	12,349	0.14%	0.26%	0.00%	0.14%	0.06%	0.02%	0.02%

Panel C: 2005-2009

Hiring Company	Last Previous Company within 1 year								Percentage of Row Total							
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
Adobe																
Apple																
Google																
Intel																
Intuit																
Lucasfilm	0	5	0	0	0	0	5	387	397	0.00%	1.26%	0.00%	0.00%	0.00%	0.00%	1.26%
Pixar	0	3	3	1	1	4		394	406	0.00%	0.74%	0.74%	0.25%	0.25%	0.99%	
All Defendants	81	65	15	99	29	10	18	25,718	26,035	0.31%	0.25%	0.06%	0.38%	0.11%	0.04%	0.07%

Panel D: 2010-2012

Hiring Company	Last Previous Company within 1 year								Percentage of Row Total							
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
Adobe																
Apple																
Google																
Intel																
Intuit																
Lucasfilm	0	0	0	0	0	0	0	89	89	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pixar	2	1	0	0	0	3		134	140	1.43%	0.71%	0.00%	0.00%	0.00%	2.14%	
All Defendants	61	53	14	75	23	11	5	15,121	15,363	0.40%	0.34%	0.09%	0.49%	0.15%	0.07%	0.03%

Note: This analysis excludes hires indicated as acquisitions and hires showing the same defendant company as their immediate previous employer within one year of the hiring.
Source: Dr. Leamer's employee data.

Appendix 2B

Analysis of Separations Going to Other Defendants (Technical, Creative and R&D Class)

Panel A: 2001-2012

Separation Company	Next Company within 1 year							Percentage of Row Total								
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
Adobe																
Apple																
Google																
Intel																
Intuit																
Lucasfilm	0	3	7	1	0	0	5	333	349	0.00%	0.86%	2.01%	0.29%	0.00%	0.00%	1.43%
Pixar	0	7	5	2	0	5		378	397	0.00%	1.76%	1.26%	0.50%	0.00%	1.26%	
All Defendants	74	223	259	23	37	9	18	36,356	36,999	0.20%	0.60%	0.70%	0.06%	0.10%	0.02%	0.05%

Panel B: 2001-2004

Separation Company	Next Company within 1 year							Percentage of Row Total								
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
Adobe																
Apple																
Google																
Intel																
Intuit																
Lucasfilm	0	0	0	0	0	0	0	7	7	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pixar	0	1	1	0	0	3		106	111	0.00%	0.90%	0.90%	0.00%	0.00%	2.70%	
All Defendants	21	25	12	1	11	3	3	11,001	11,077	0.19%	0.23%	0.11%	0.01%	0.10%	0.03%	0.03%

Panel C: 2005-2009

Separation Company	Next Company within 1 year							Percentage of Row Total								
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
Adobe																
Apple																
Google																
Intel																
Intuit																
Lucasfilm	0	0	1	1	0	0	2	197	201	0.00%	0.00%	0.50%	0.50%	0.00%	0.00%	1.00%
Pixar	0	4	3	2	0	2		175	186	0.00%	2.15%	1.61%	1.08%	0.00%	1.08%	
All Defendants	41	102	143	12	20	6	9	18,863	19,196	0.21%	0.53%	0.74%	0.06%	0.10%	0.03%	0.05%

Panel D: 2010-2012

Separation Company	Next Company within 1 year							Percentage of Row Total								
	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar	Other	Total	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
Adobe																
Apple																
Google																
Intel																
Intuit																
Lucasfilm	0	3	6	0	0	0	3	129	141	0.00%	2.13%	4.26%	0.00%	0.00%	0.00%	2.13%
Pixar	0	2	1	0	0	0		97	100	0.00%	2.00%	1.00%	0.00%	0.00%	0.00%	
All Defendants	12	96	104	10	6	0	6	6,492	6,726	0.18%	1.43%	1.55%	0.15%	0.09%	0.00%	0.09%

Note: This analysis excludes separations that appear as immediately rehired by the same defendant company within one year.
Source: Dr. Leamer's employee data.

Appendix 2C

Analysis of Hires from Other DNCC Defendants (Technical, Creative and R&D Class)

Panel A: 2001-2012

Hiring Company	Last Previous Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	11	532	543	2.03%	97.97%
Pixar	16	769	785	2.04%	97.96%
All Defendants	482	53,265	53,747	0.90%	99.10%

Panel B: 2001-2004

Hiring Company	Last Previous Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	1	56	57	1.75%	98.25%
Pixar	4	235	239	1.67%	98.33%
All Defendants	61	12,288	12,349	0.49%	99.51%

Panel C: 2005-2009

Hiring Company	Last Previous Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	10	387	397	2.52%	97.48%
Pixar	8	398	406	1.97%	98.03%
All Defendants	228	25,807	26,035	0.88%	99.12%

Panel D: 2010-2012

Hiring Company	Last Previous Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	0	89	89	0.00%	100.00%
Pixar	4	136	140	2.86%	97.14%
All Defendants	193	15,170	15,363	1.26%	98.74%

Notes:

This analysis excludes hires indicated as acquisitions and hires showing the same defendant company as their immediate previous employer within one year of the hiring.

Adobe allegedly had a DNCC agreement with Apple.

Apple allegedly had DNCC agreements with Adobe, Google, Intel, Intuit, Lucasfilm, and Pixar.

Google allegedly had DNCC agreements with Apple, Intel, and Intuit.

Intel allegedly had DNCC agreements with Apple, Google, and Pixar.

Intuit allegedly had DNCC agreements with Apple and Google.

Lucasfilm allegedly had DNCC agreements with Apple and Pixar.

Pixar allegedly had DNCC agreements with Apple, Intel, and Lucasfilm.

Source: Dr. Leamer's employee data.

Appendix 2D

Analysis of Separations Going to Other DNCC Defendants (Technical, Creative and R&D Class)

Panel A: 2001-2012

Separation Company	Next Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	8	341	349	2.29%	97.71%
Pixar	14	383	397	3.53%	96.47%
All Defendants	498	36,501	36,999	1.35%	98.65%

Panel B: 2001-2004

Separation Company	Next Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	0	7	7	0.00%	100.00%
Pixar	4	107	111	3.60%	96.40%
All Defendants	61	11,016	11,077	0.55%	99.45%

Panel C: 2005-2009

Separation Company	Next Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	2	199	201	1.00%	99.00%
Pixar	8	178	186	4.30%	95.70%
All Defendants	248	18,948	19,196	1.29%	98.71%

Panel D: 2010-2012

Separation Company	Next Company within 1 year			Percentage of Row Total	
	DNCC Defendant	Non DNCC-Defendant	Total	DNCC Defendant	Non DNCC-Defendant
Adobe					
Apple					
Google					
Intel					
Intuit					
Lucasfilm	6	135	141	4.26%	95.74%
Pixar	2	98	100	2.00%	98.00%
All Defendants	189	6,537	6,726	2.81%	97.19%

Notes:

This analysis excludes separations that appear as immediately rehired by the same defendant company within one year.

Adobe allegedly had a DNCC agreement with Apple.

Apple allegedly had DNCC agreements with Adobe, Google, Intel, Intuit, Lucasfilm, and Pixar.

Google allegedly had DNCC agreements with Apple, Intel, and Intuit.

Intel allegedly had DNCC agreements with Apple, Google, and Pixar.

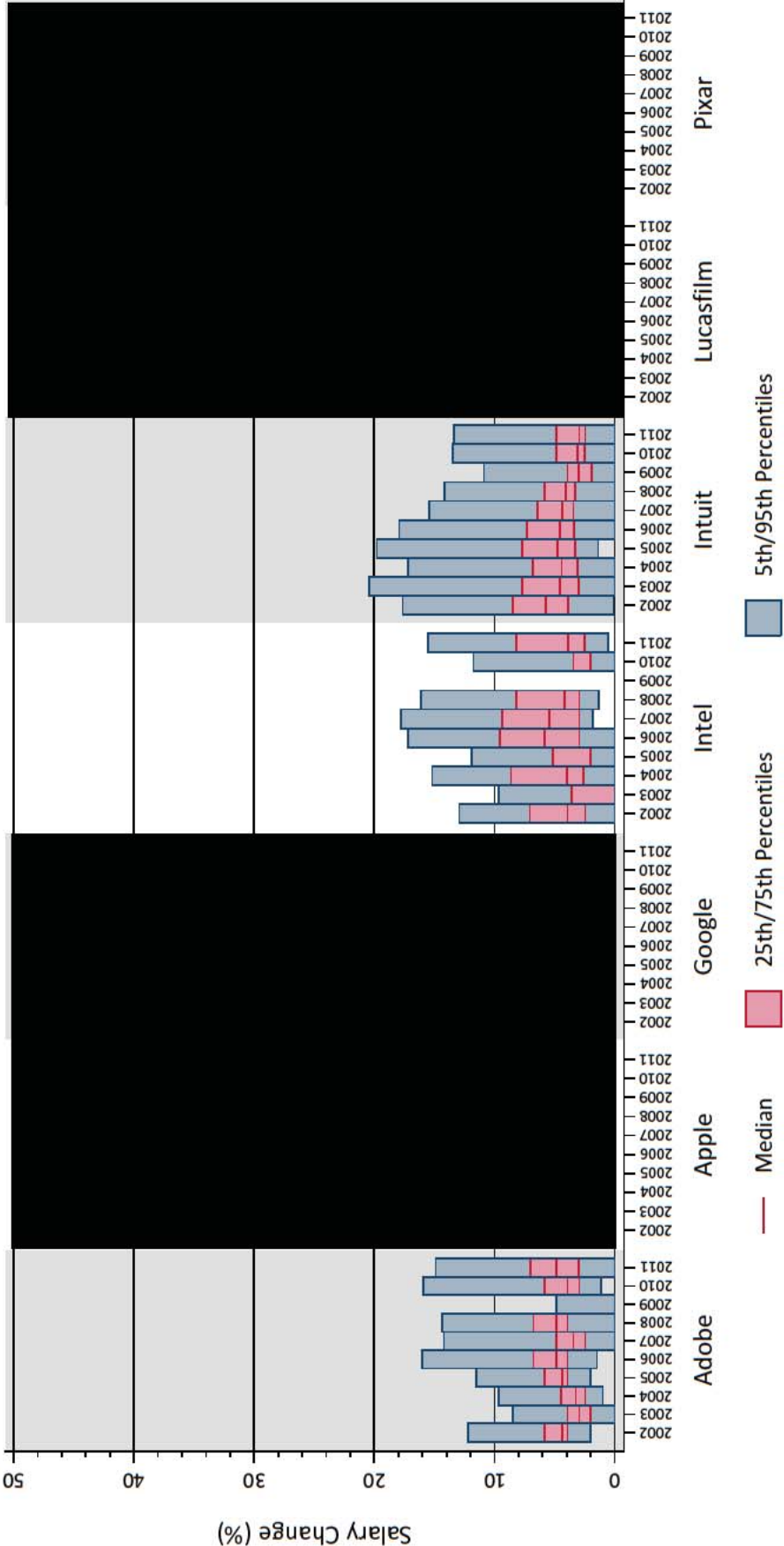
Intuit allegedly had DNCC agreements with Apple and Google.

Lucasfilm allegedly had DNCC agreements with Apple and Pixar.

Pixar allegedly had DNCC agreements with Apple, Intel, and Lucasfilm.

Source: Dr. Leamer's employee data.

Appendix 3A
Distributions of Annual Changes in Base Salaries
All Salaried Employee Class

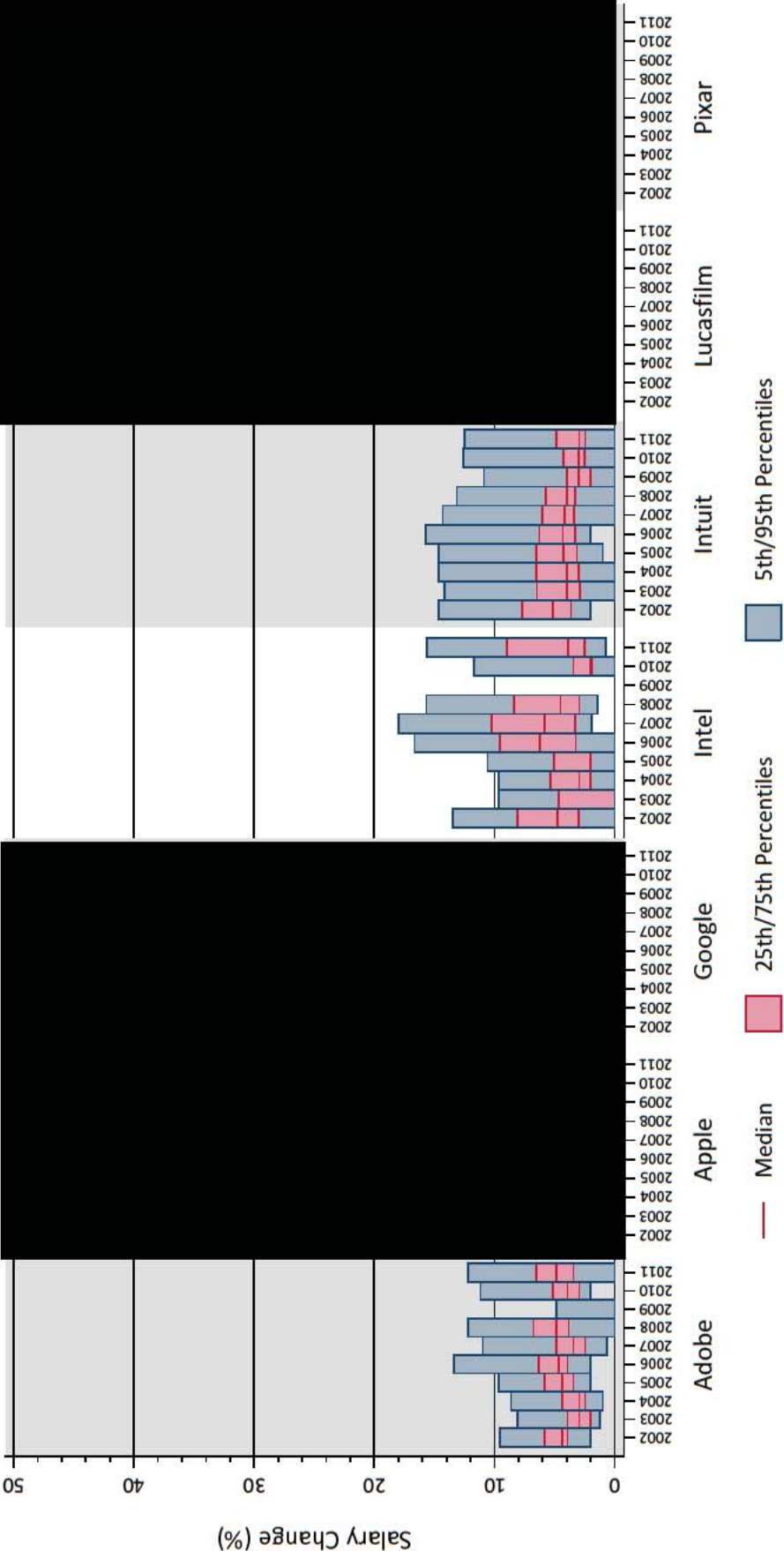


Notes:

- [1] Percent salary changes are defined as the log of the current year's salary minus the log of the previous year's salary multiplied by 100.
- [2] Some defendants had salary freezes in certain years. The 95th percentile salary change was zero at Intel in 2009; and the 75th percentile salary change was zero at Adobe in 2009, Apple in 2002, and Pixar in 2003.

Source: Dr. Leamer's backup data and materials.

Appendix 3B
Distributions of Annual Changes in Base Salaries
Technical, Creative, and R&D Class

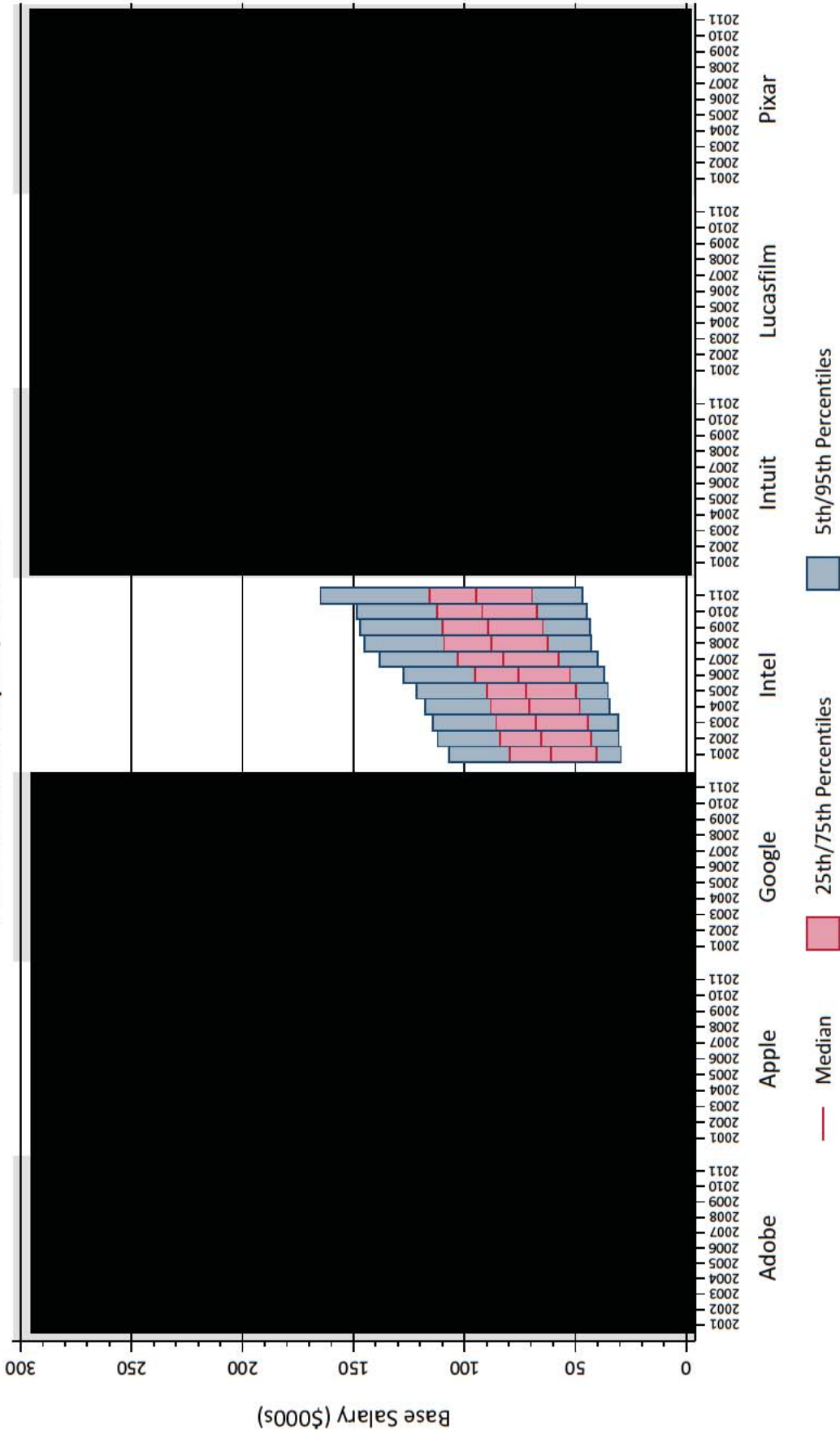


Notes:

- [1] Percent salary changes are defined as the log of the current year's salary minus the log of the previous year's salary multiplied by 100.
- [2] Some defendants had salary freezes in certain years. The 95th percentile salary change was zero at Intel in 2009 and Pixar in 2003; and the 75th percentile salary change was zero at Adobe in 2009, Apple in 2002, and Google in 2002.

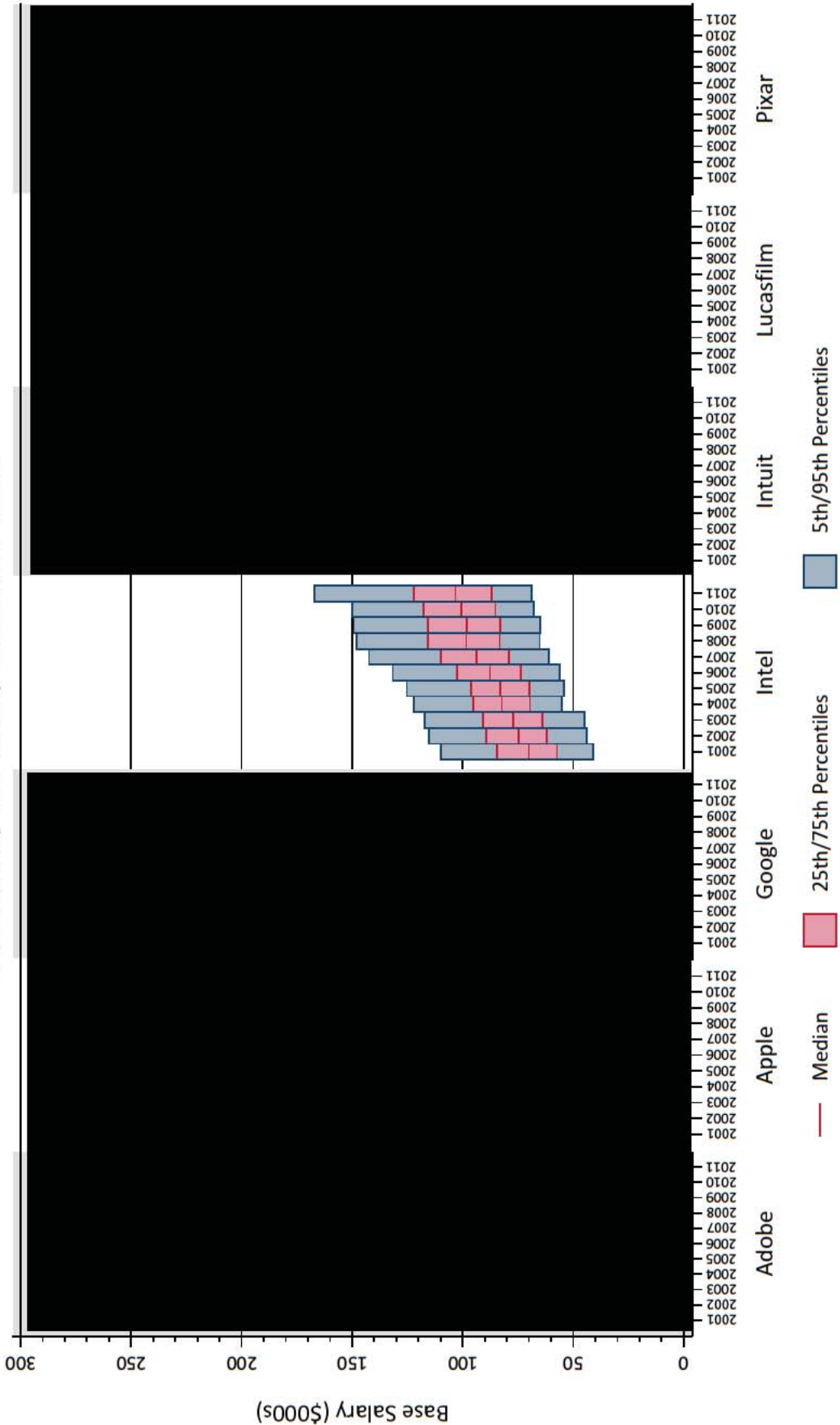
Source: Dr. Leamer's backup data and materials.

Appendix 4A
Distributions of Base Salaries
All Salaried Employee Class



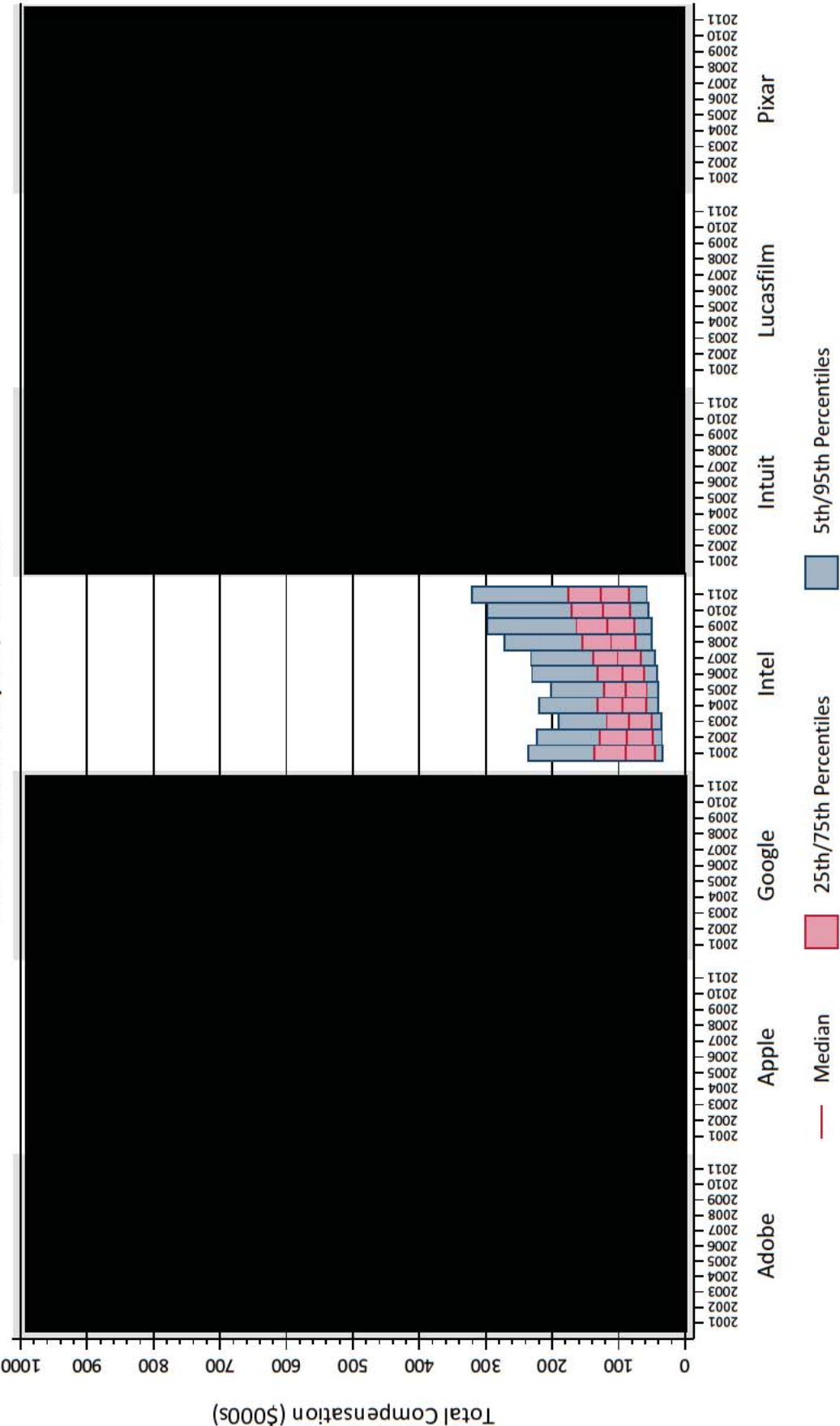
Source: Dr. Leamer's backup data and materials.

Appendix 4B
Distributions of Base Salaries
Technical, Creative, and R&D Class



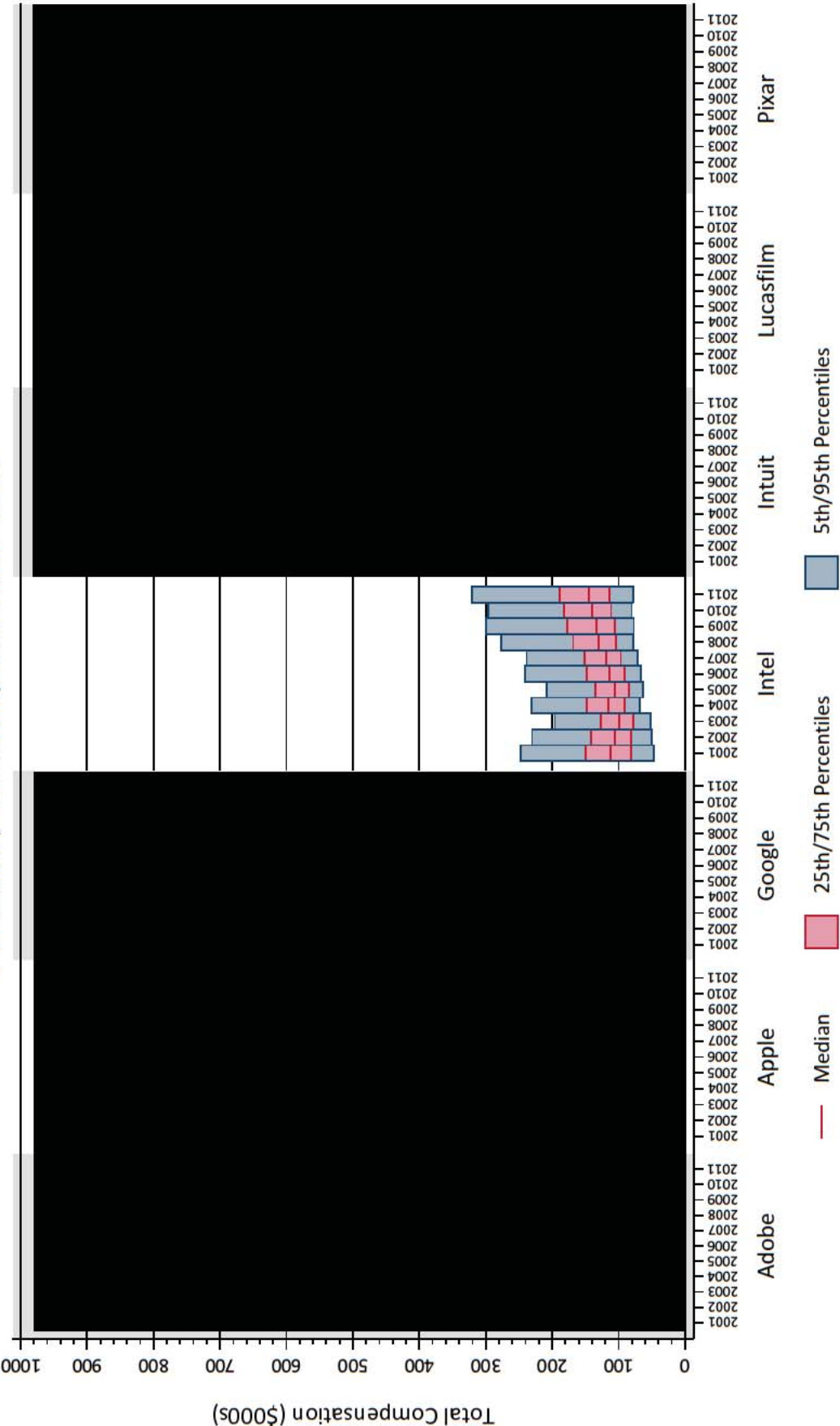
Source: Dr. Leamer's backup data and materials.

Appendix 4C
Distributions of Total Compensation
All Salaried Employee Class



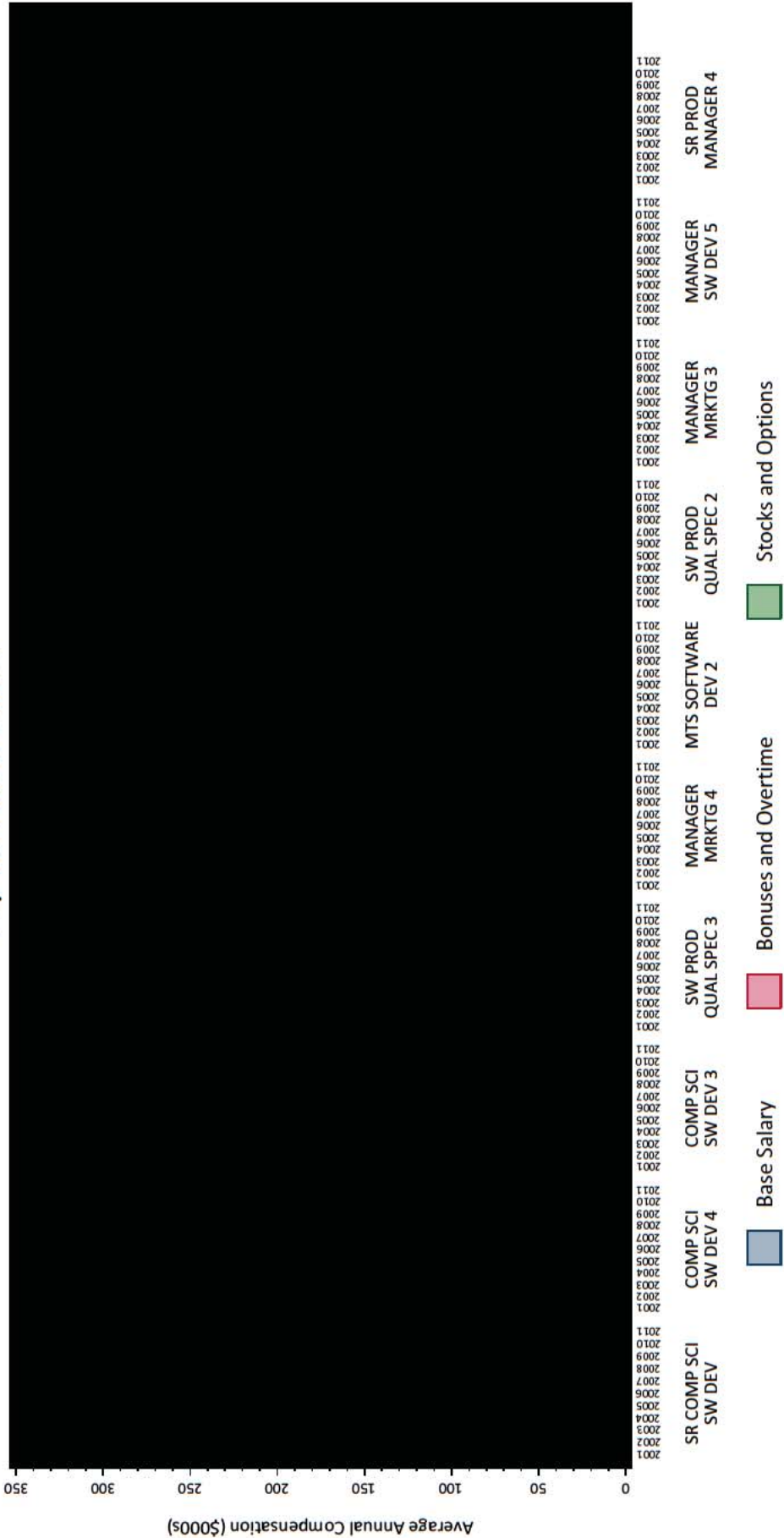
Source: Dr. Leamer's backup data and materials.

Appendix 4D
Distributions of Total Compensation
Technical, Creative, and R&D Class



Source: Dr. Leamer's backup data and materials.

Appendix 5A
Composition of Total Compensation for Major Jobs
Top 10 Adobe Jobs



Notes:
[1] The top 10 jobs are identified using 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

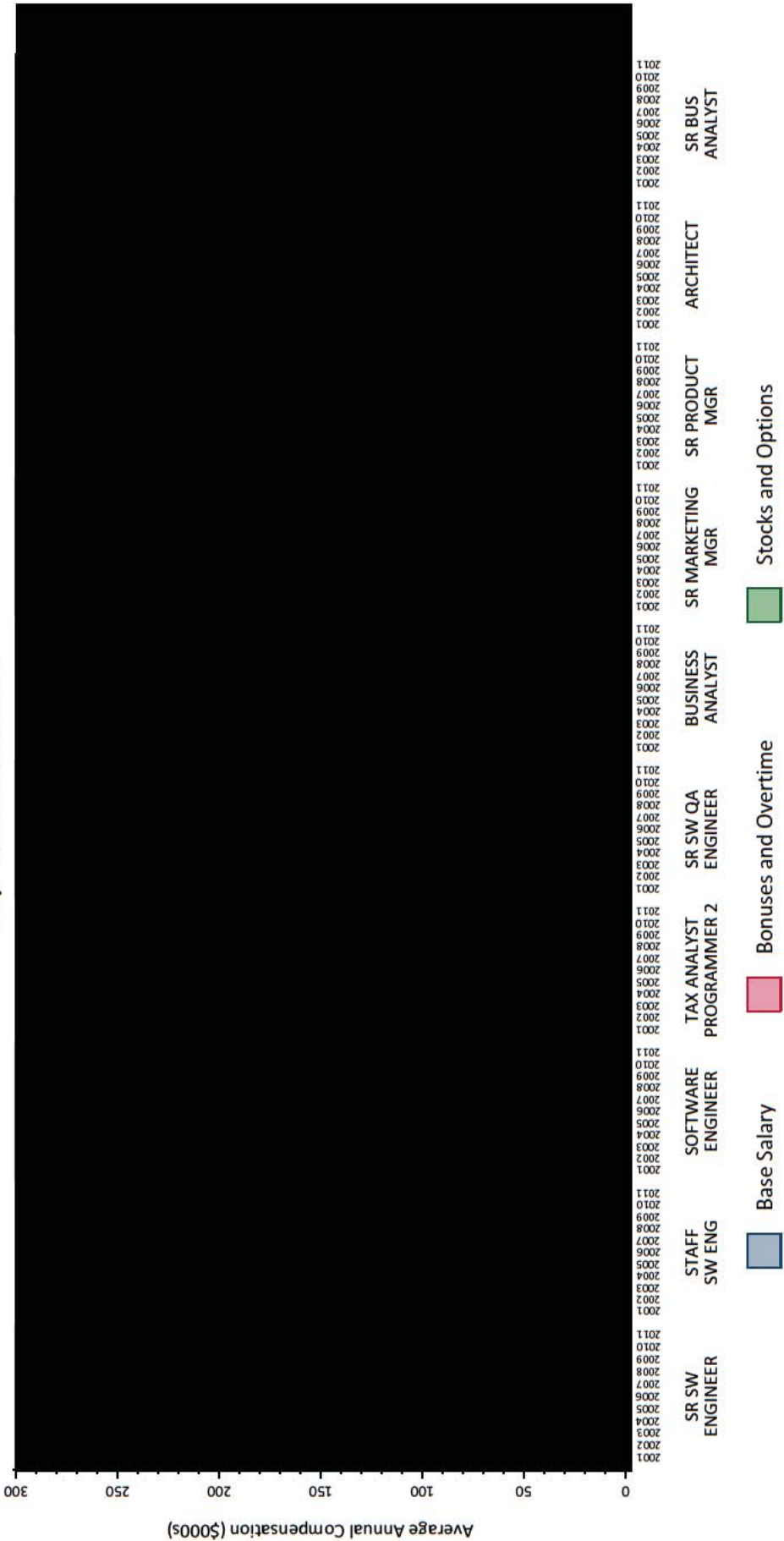
Appendix 5B
Composition of Total Compensation for Major Jobs
Top 10 Intel Jobs



Notes:
[1] The top 10 jobs are identified using 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

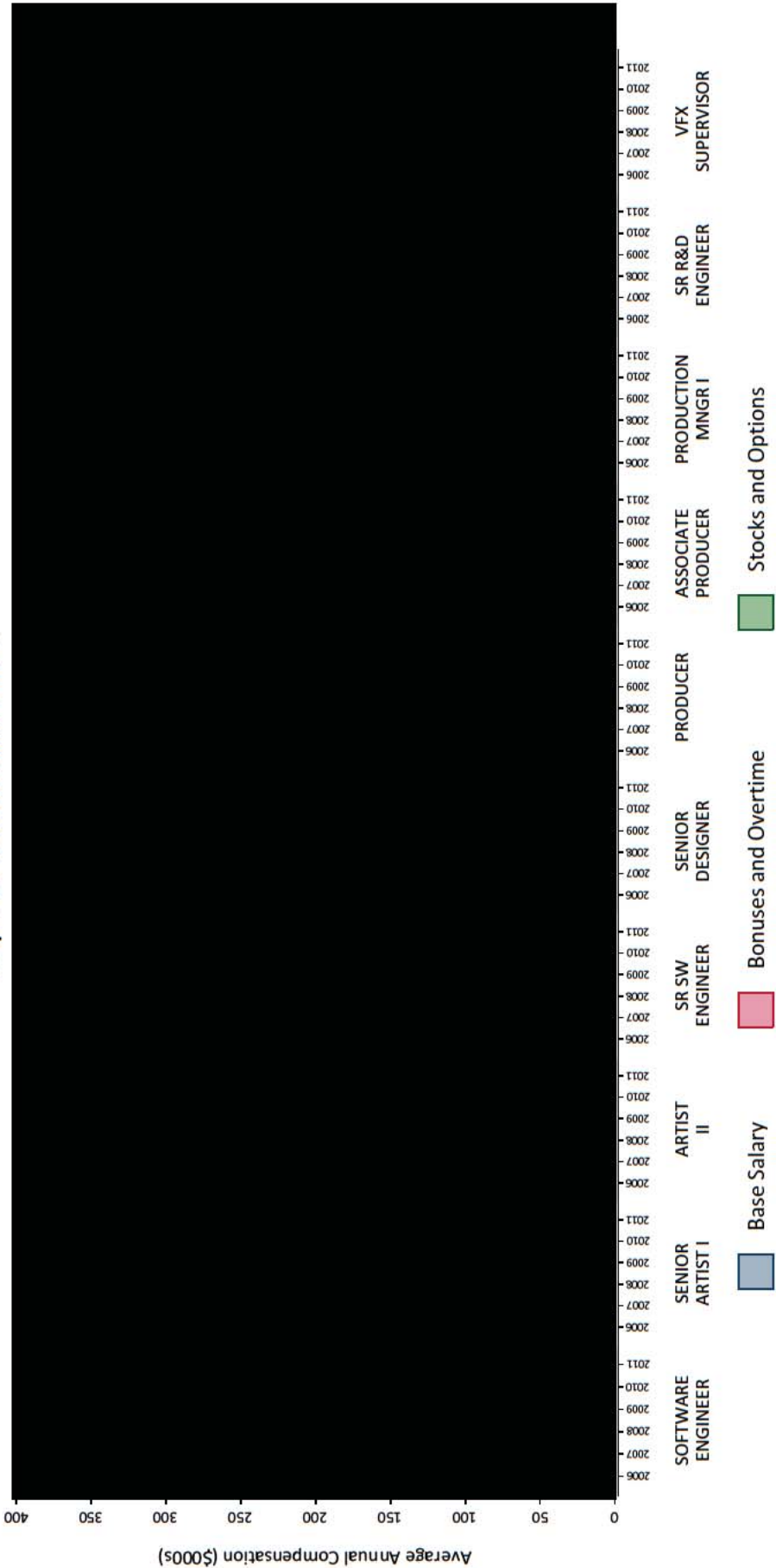
Appendix 5C
Composition of Total Compensation for Major Jobs
Top 10 Intuit Jobs



Notes:
[1] The top 10 jobs are identified using 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

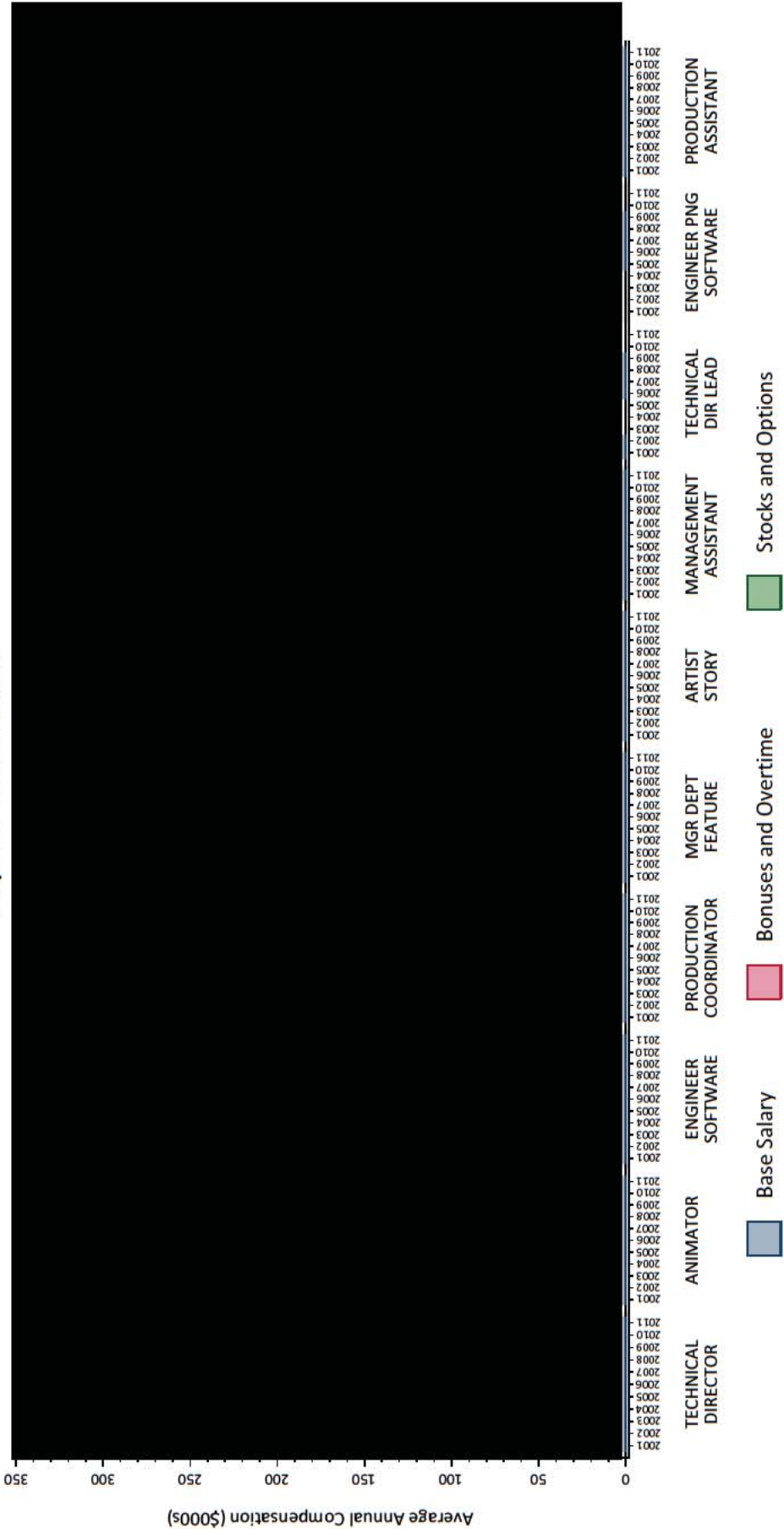
Appendix 5D
Composition of Total Compensation for Major Jobs
Top 10 Lucasfilm Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
[3] Lucasfilm data are missing job titles prior to 2006.

Source: Dr. Leamer's backup data and materials.

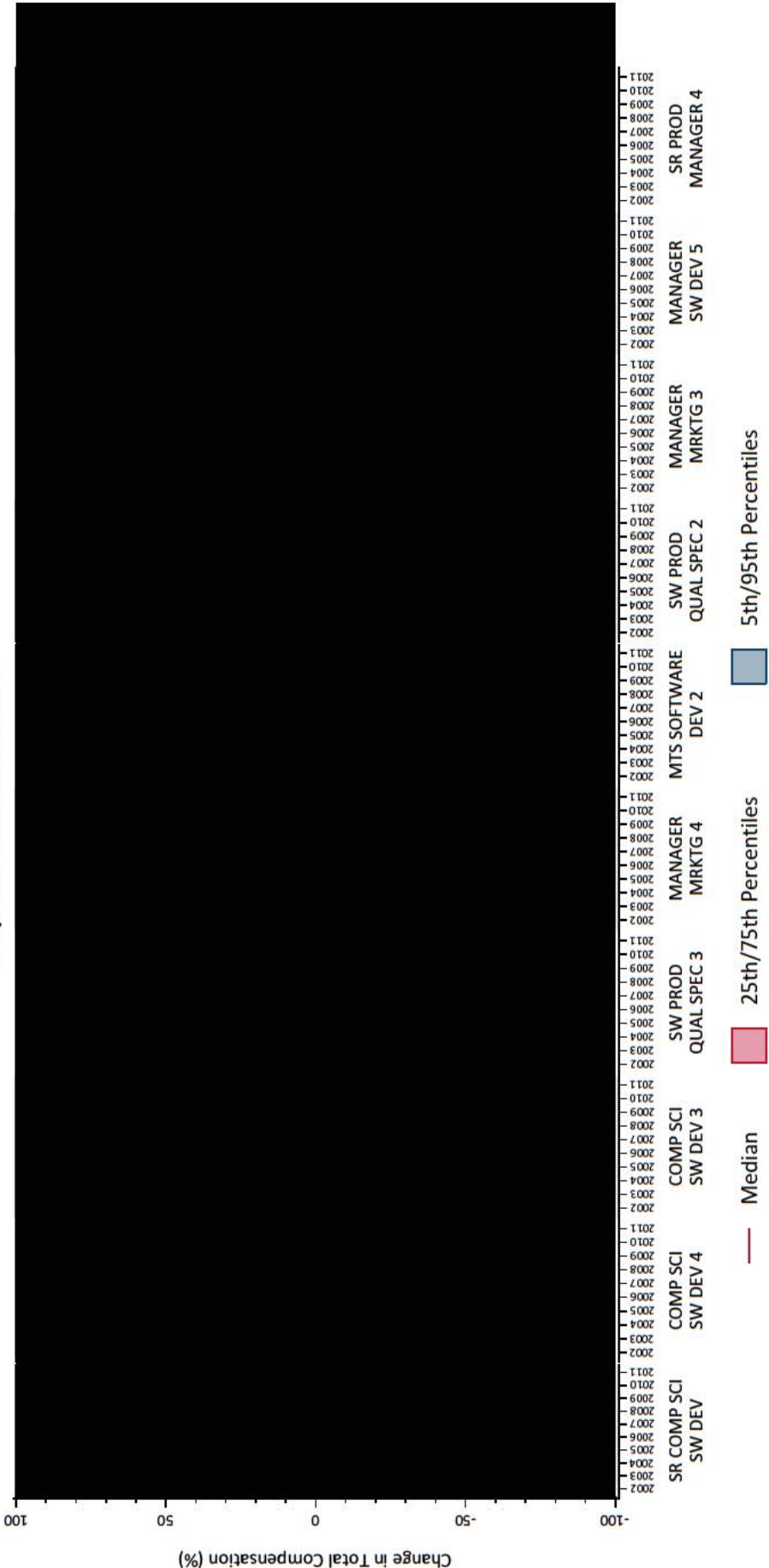
Appendix 5E
Composition of Total Compensation for Major Jobs
Top 10 Pixar Jobs



Notes:
[1] The top 10 jobs are identified using 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

Appendix 6A
Distributions of Annual Changes in Total Compensation
Top 10 Adobe Jobs

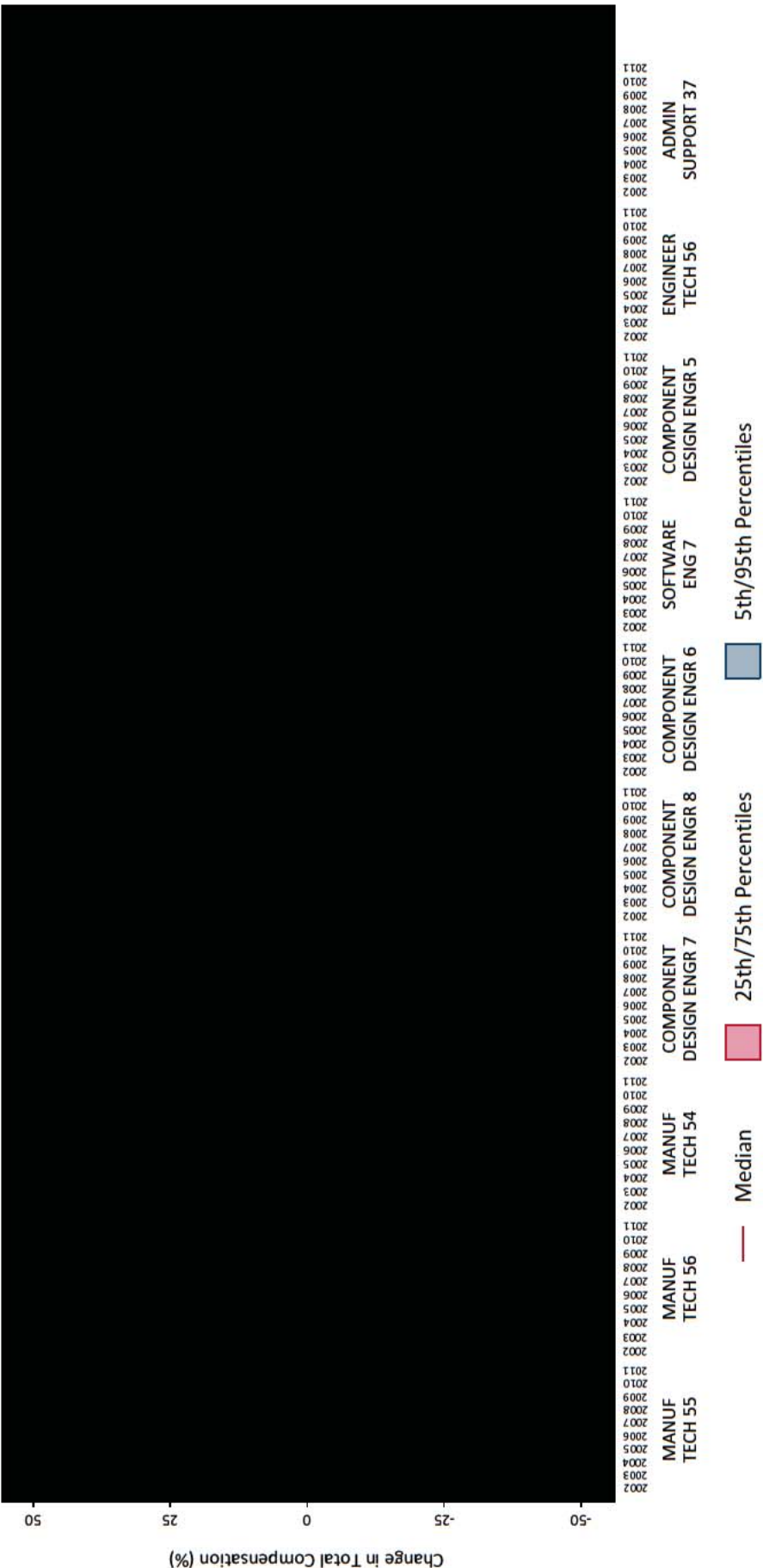


Notes:

- [1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
- [3] Percent changes are defined as differences in logs.

Source: Dr. Leamer's backup data and materials.

Appendix 6B
Distributions of Annual Changes in Total Compensation
Top 10 Intel Jobs

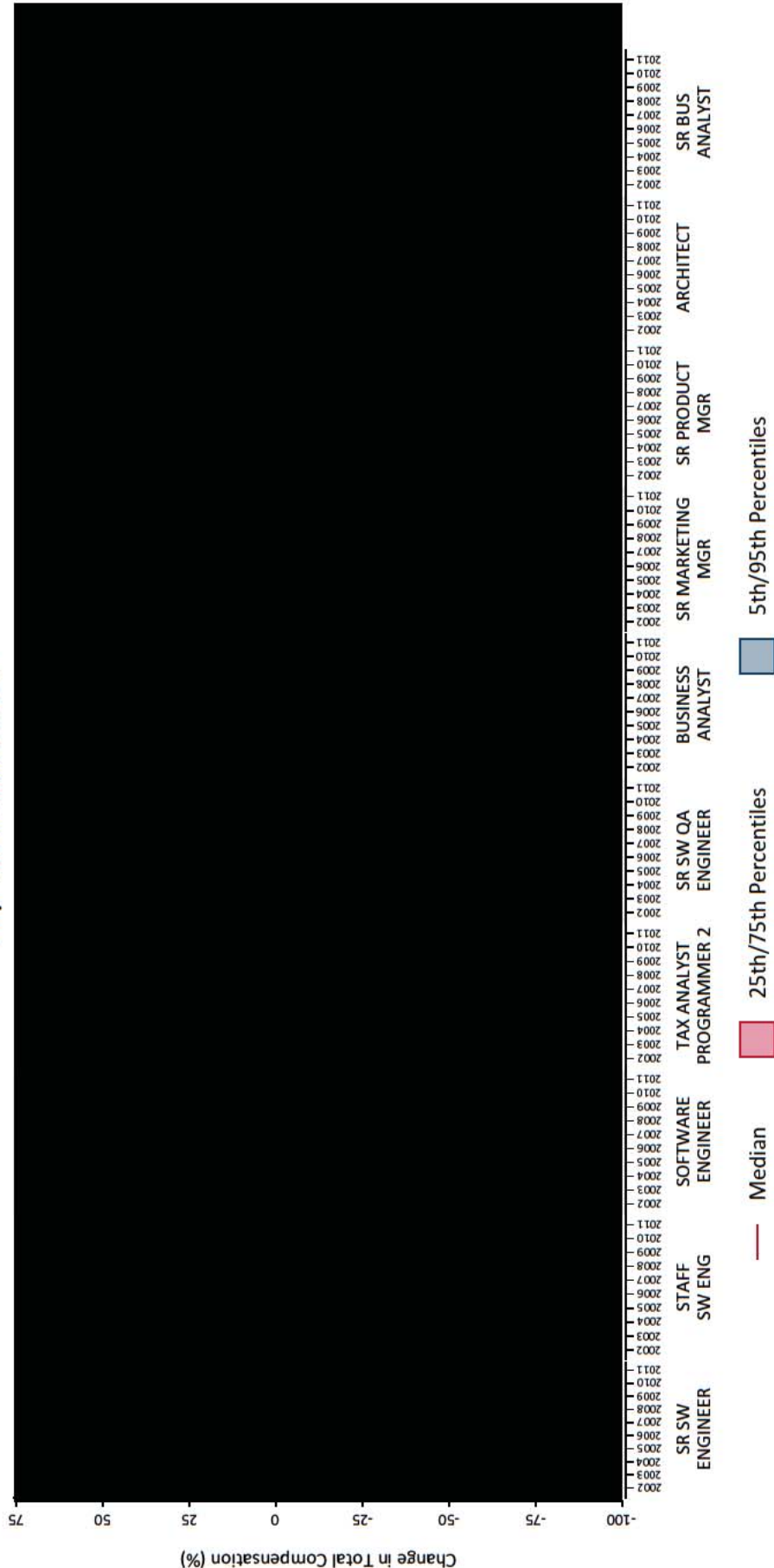


Notes:

- [1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
- [3] Percent changes are defined as differences in logs.

Source: Dr. Leamer's backup data and materials.

Appendix 6C
Distributions of Annual Changes in Total Compensation
Top 10 Intuit Jobs

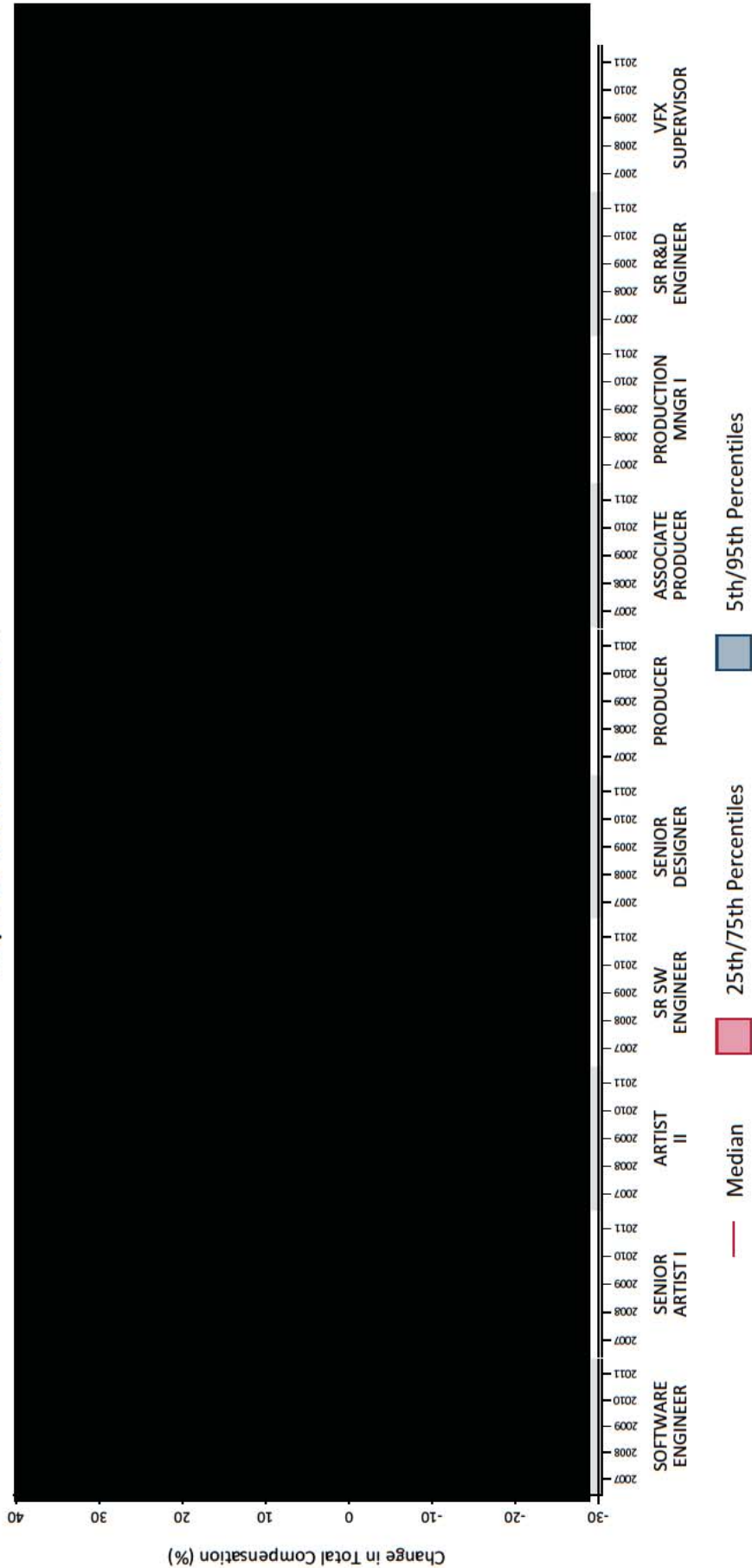


Notes:

- [1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
- [3] Percent changes are defined as differences in logs.

Source: Dr. Leamer's backup data and materials.

Appendix 6D
Distributions of Annual Changes in Total Compensation
Top 10 Lucasfilm Jobs

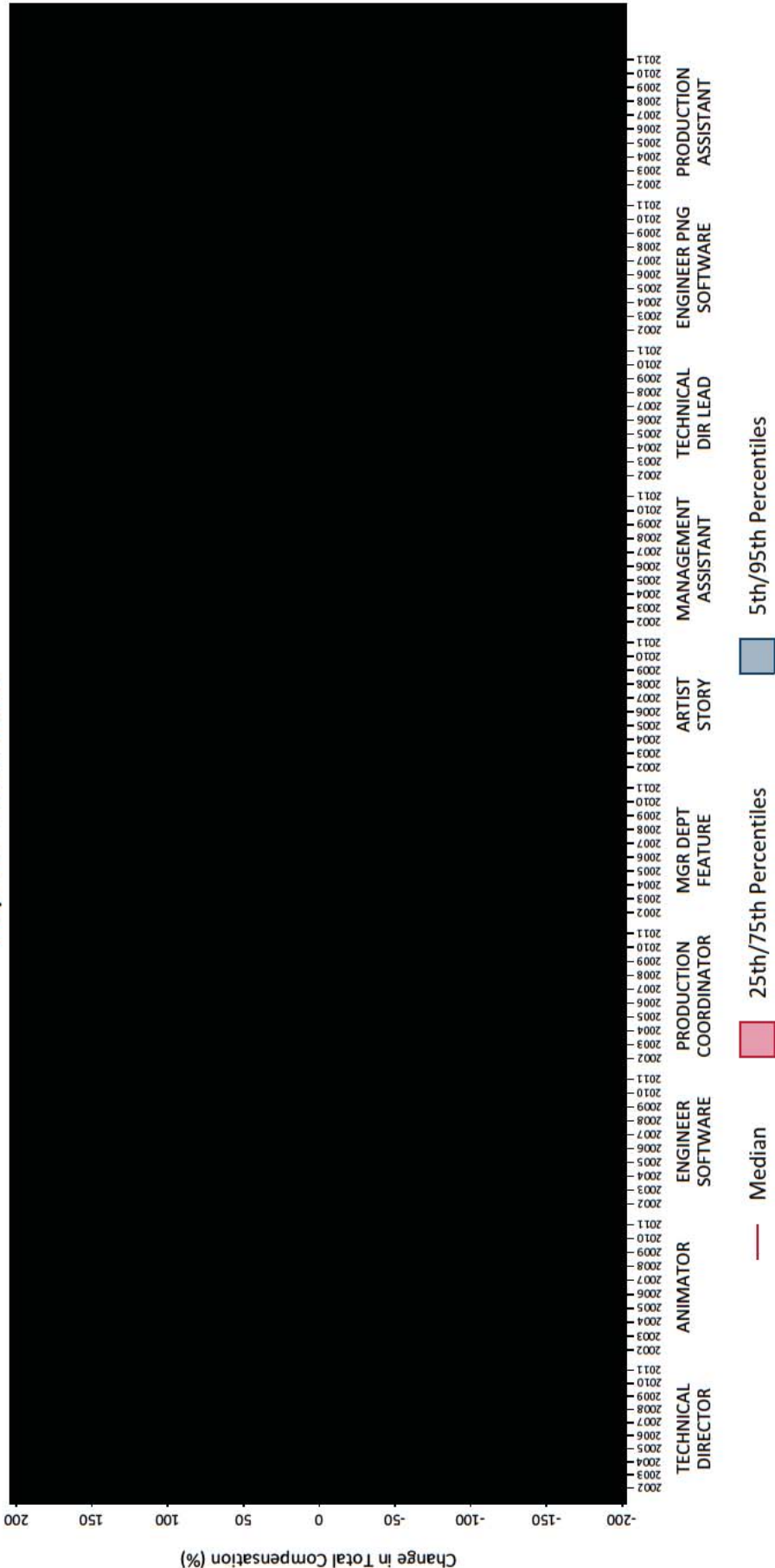


Notes:

- [1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
- [3] Percent changes are defined as differences in logs.
- [4] Lucasfilm data are missing job titles prior to 2006.

Source: Dr. Leamer's backup data and materials.

Appendix 6E
Distributions of Annual Changes in Total Compensation
Top 10 Pixar Jobs

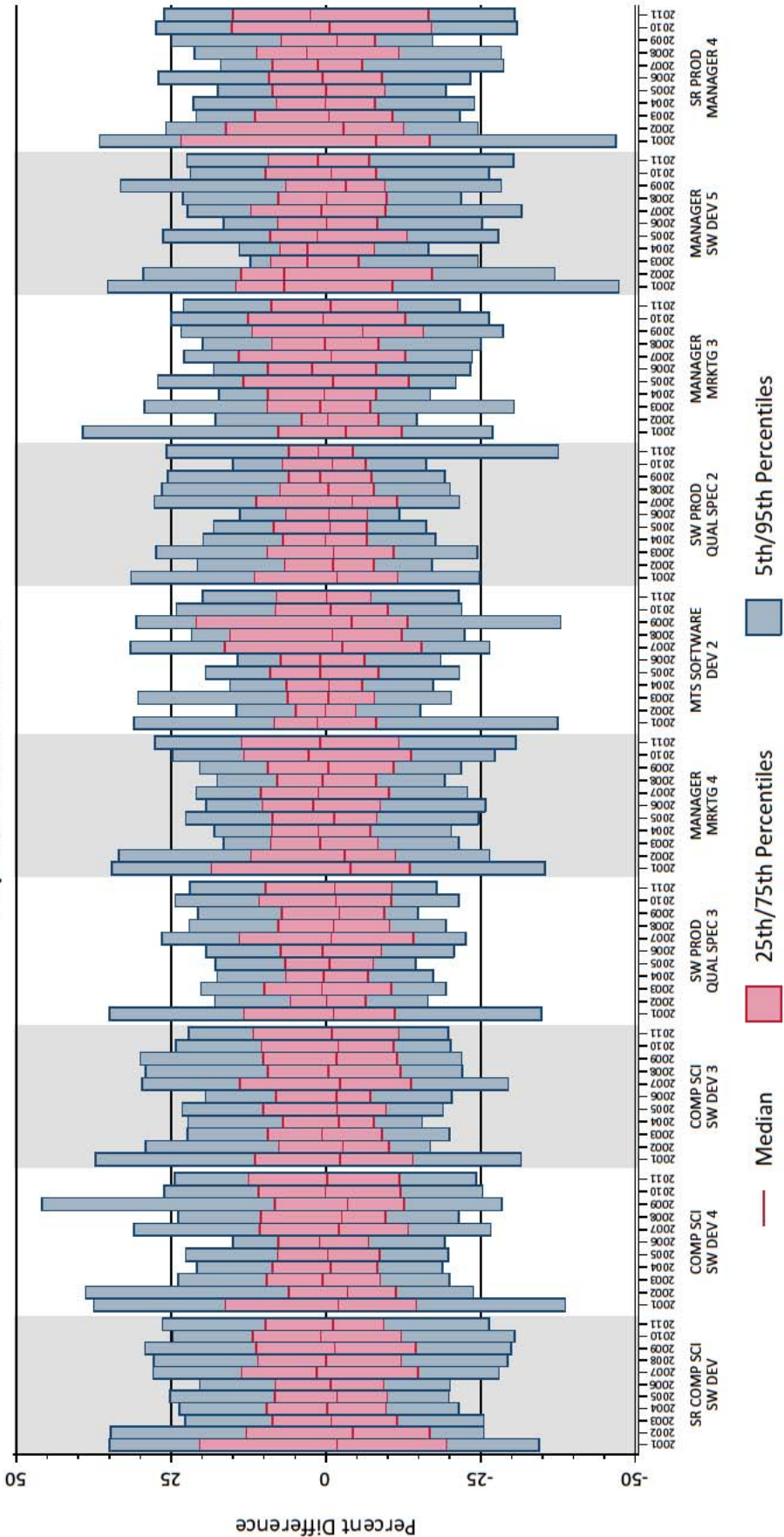


Notes:

- [1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
- [3] Percent changes are defined as differences in logs.

Source: Dr. Leamer's backup data and materials.

Appendix 7A
Difference between Actual Compensation and Dr. Leamer Predicted Compensation
Top 10 Adobe Jobs

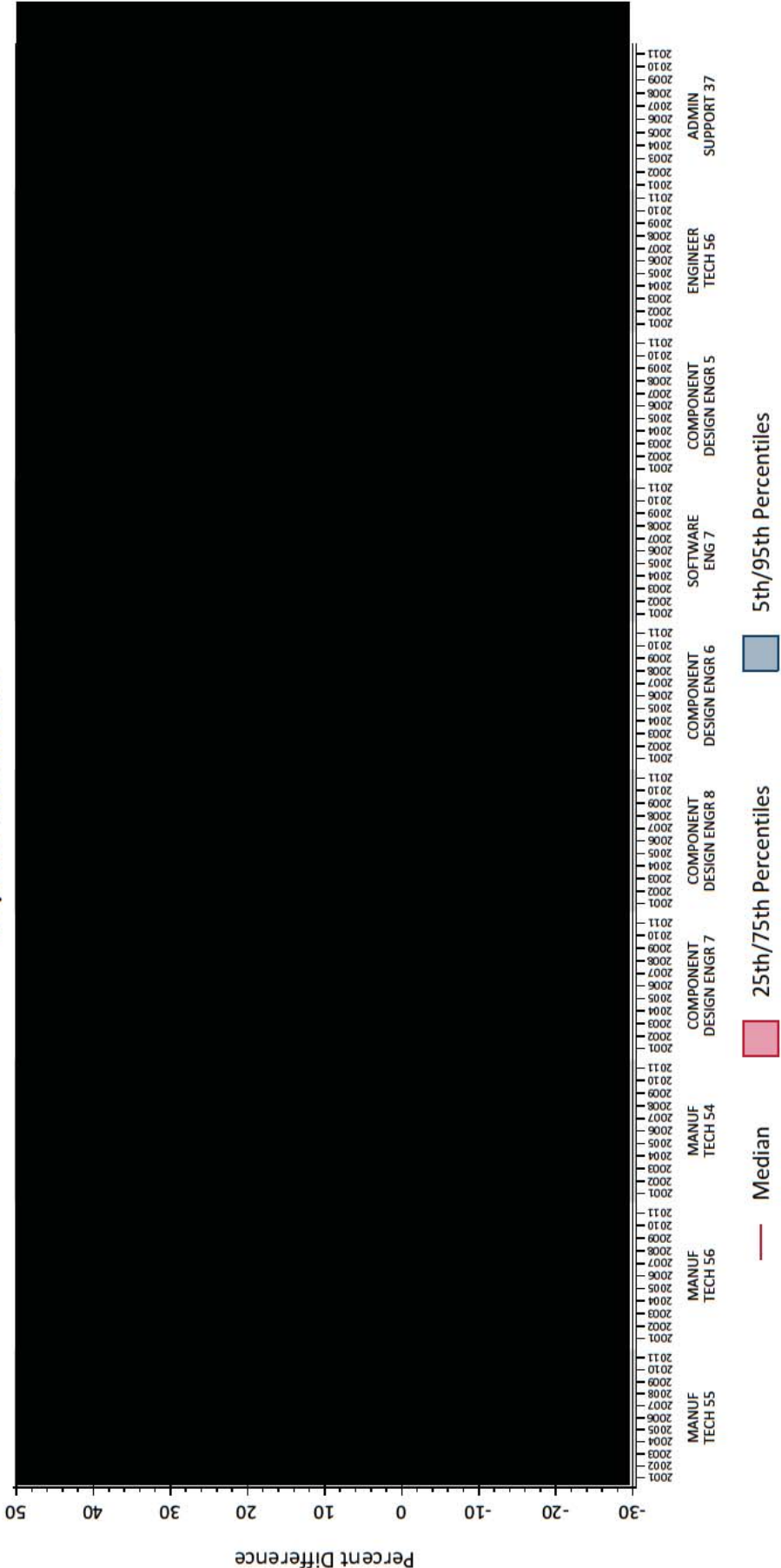


Notes:

- [1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
- [2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

Appendix 7B
Difference between Actual Compensation and Dr. Leamer Predicted Compensation
Top 10 Intel Jobs

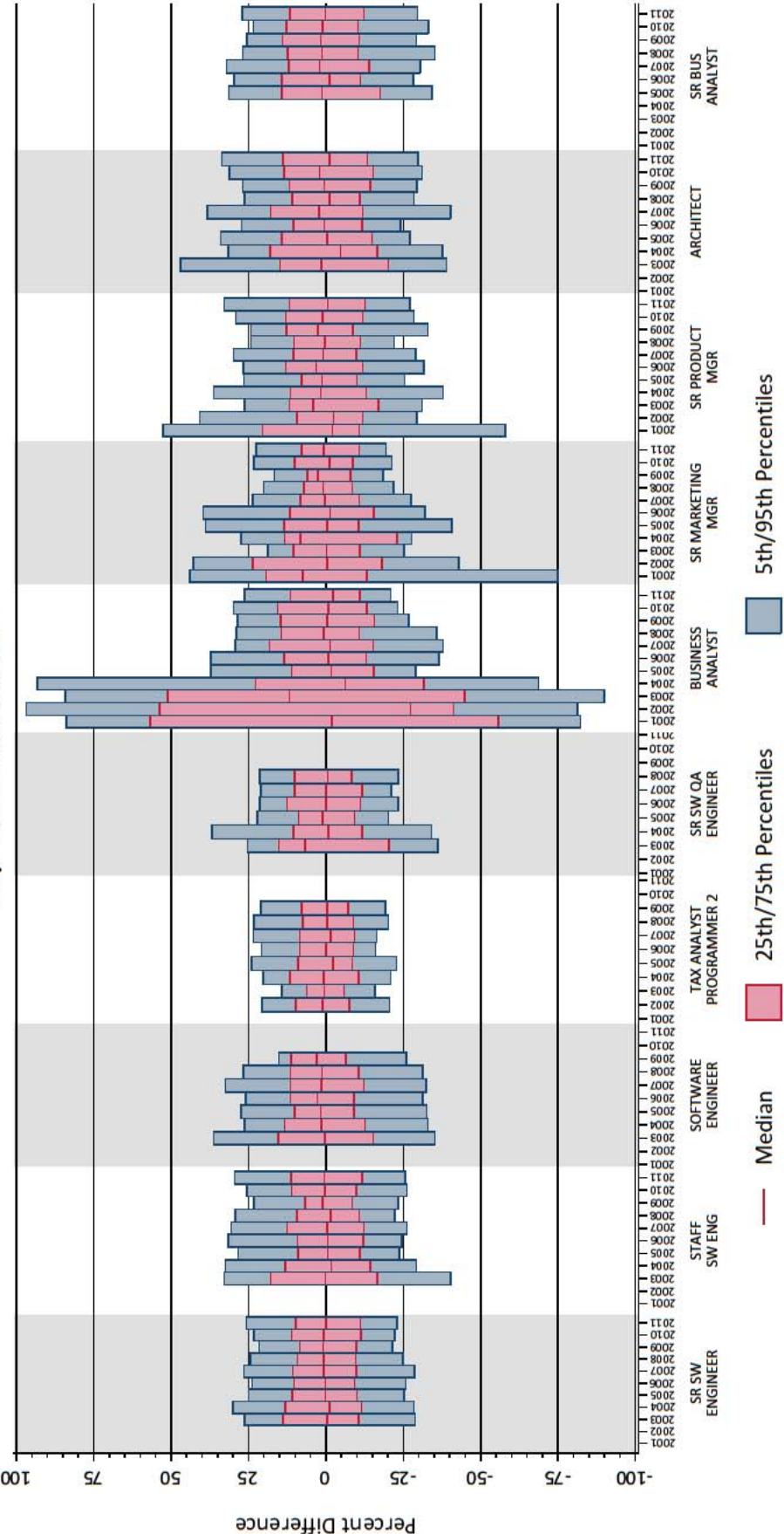


Notes:

- [1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
- [2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

Appendix 7C
Difference between Actual Compensation and Dr. Leamer Predicted Compensation
Top 10 Intuit Jobs

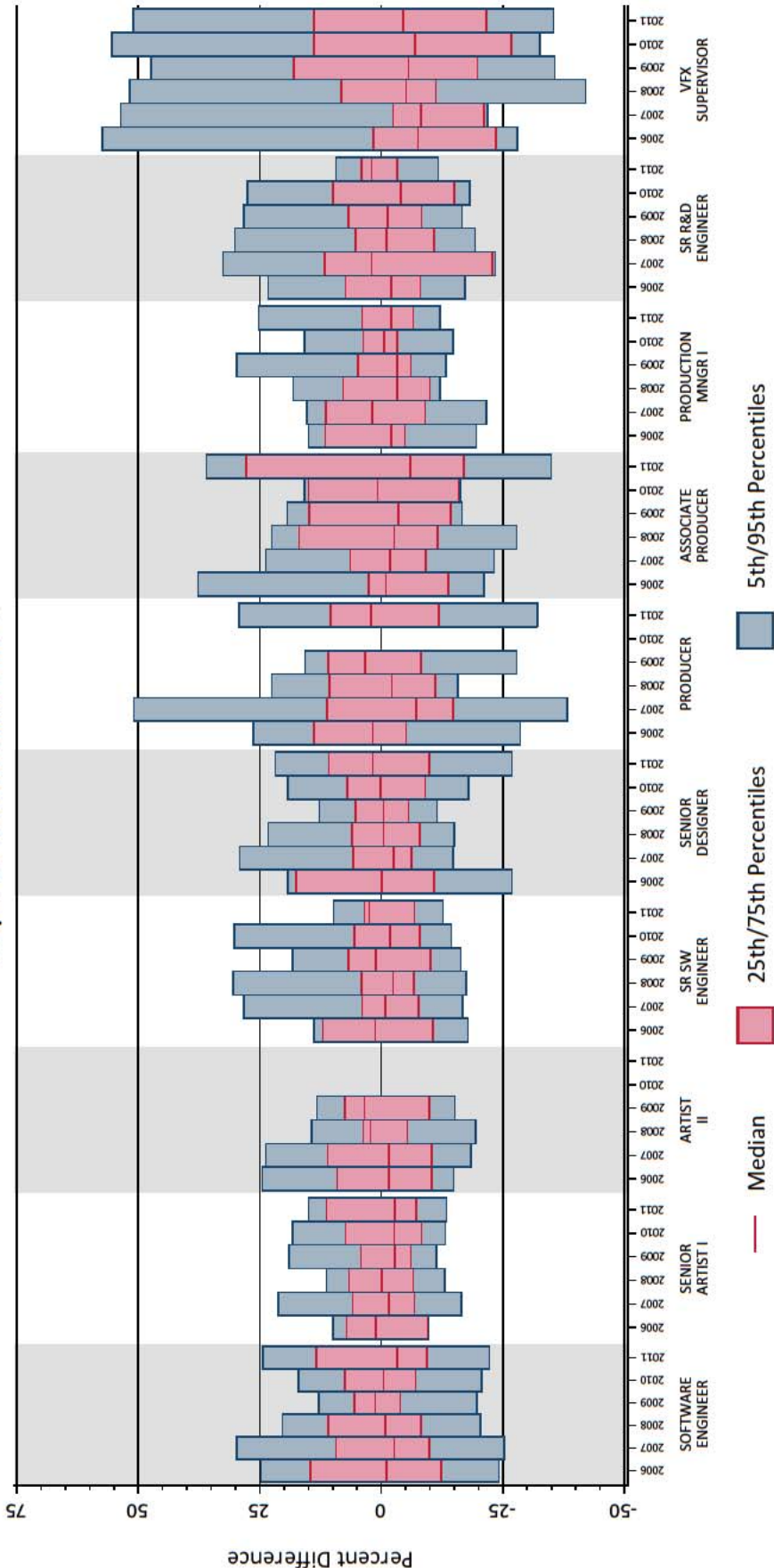


Notes:

- [1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
- [2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

Appendix 7D
Difference between Actual Compensation and Dr. Leamer Predicted Compensation
Top 10 Lucasfilm Jobs

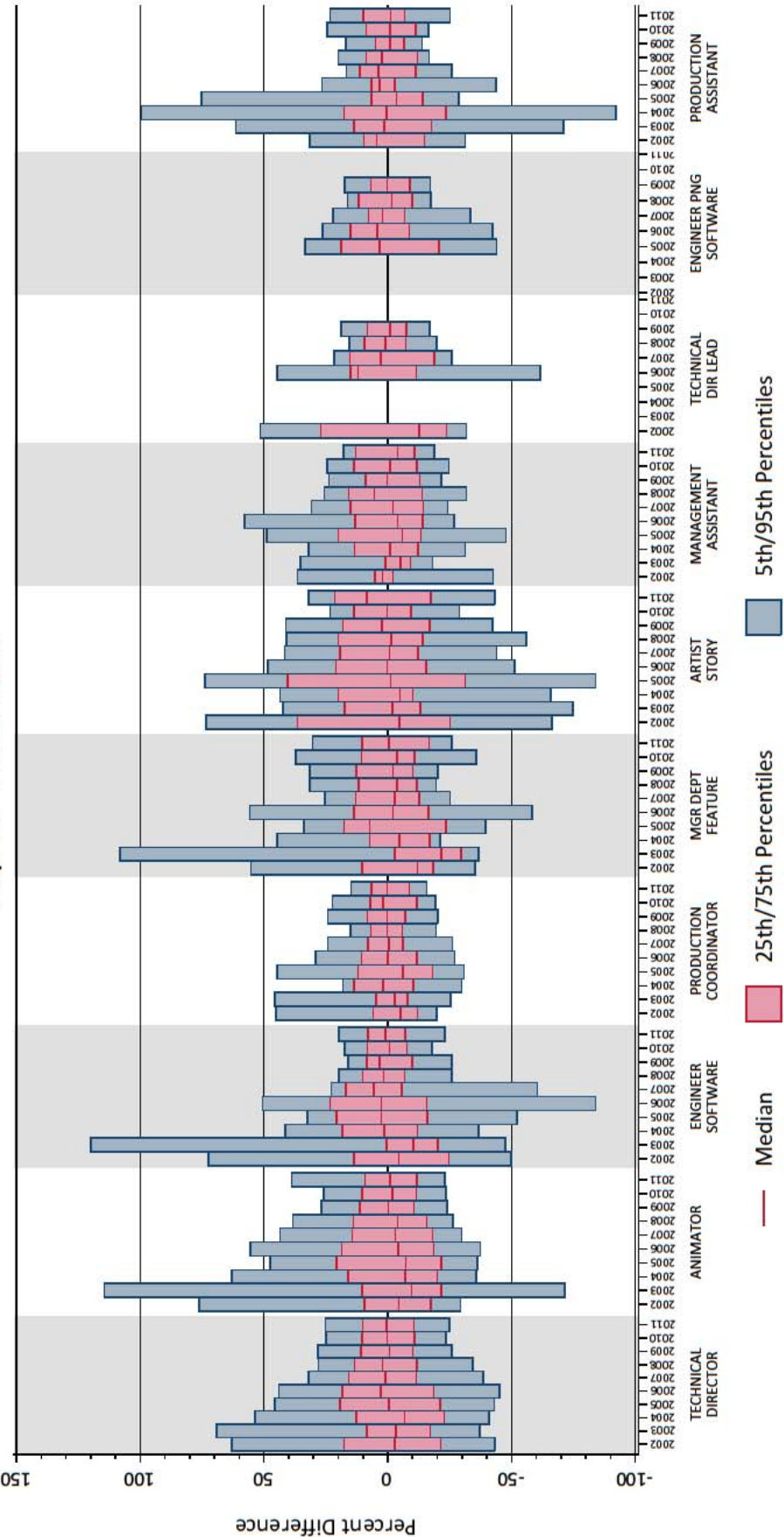


Notes:

- [1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
- [2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
- [4] Lucasfilm data are missing job titles prior to 2006.

Source: Dr. Leamer's backup data and materials.

Appendix 7E
Difference between Actual Compensation and Dr. Leamer Predicted Compensation
Top 10 Pixar Jobs

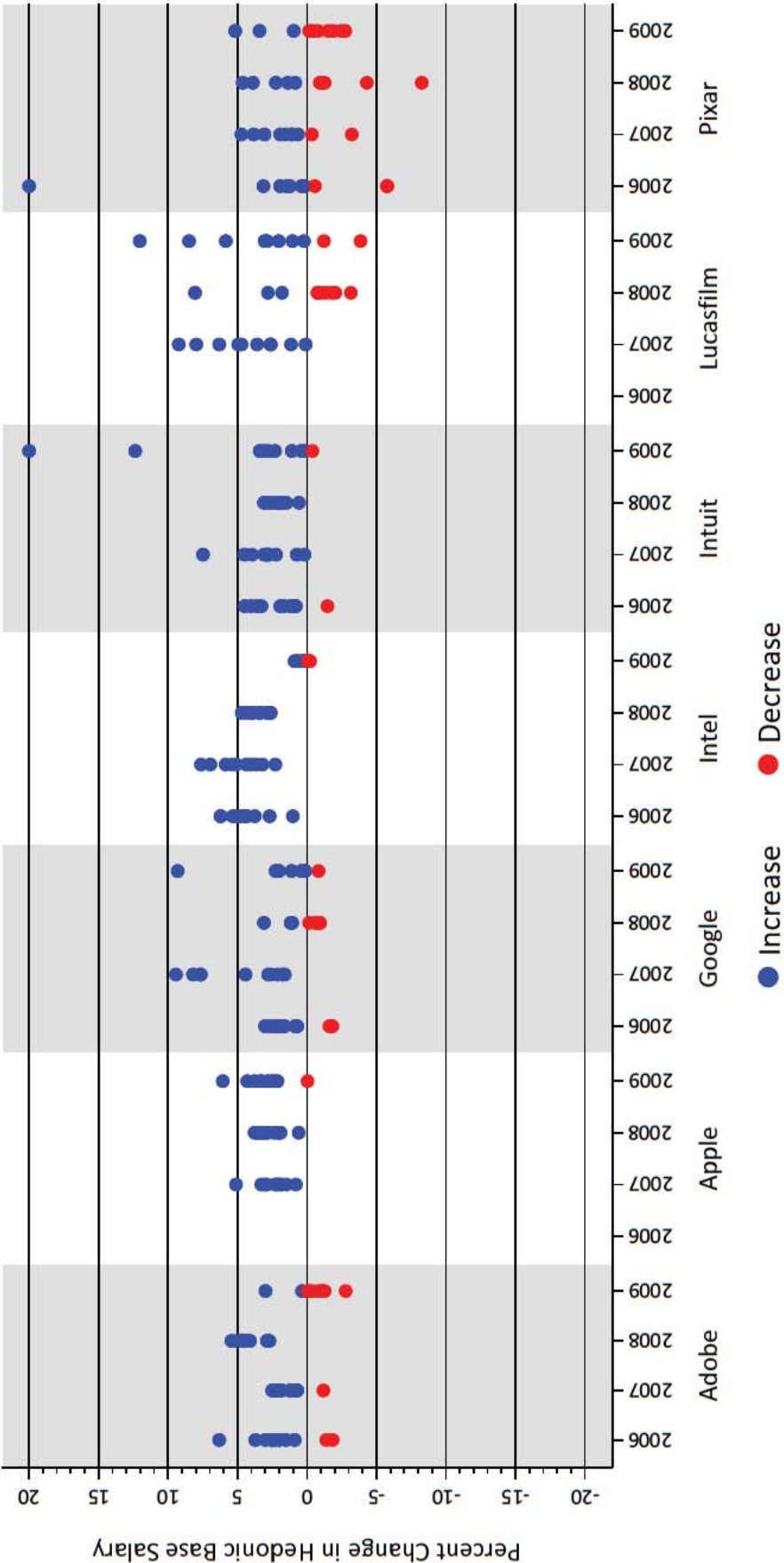


Notes:

- [1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
- [2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

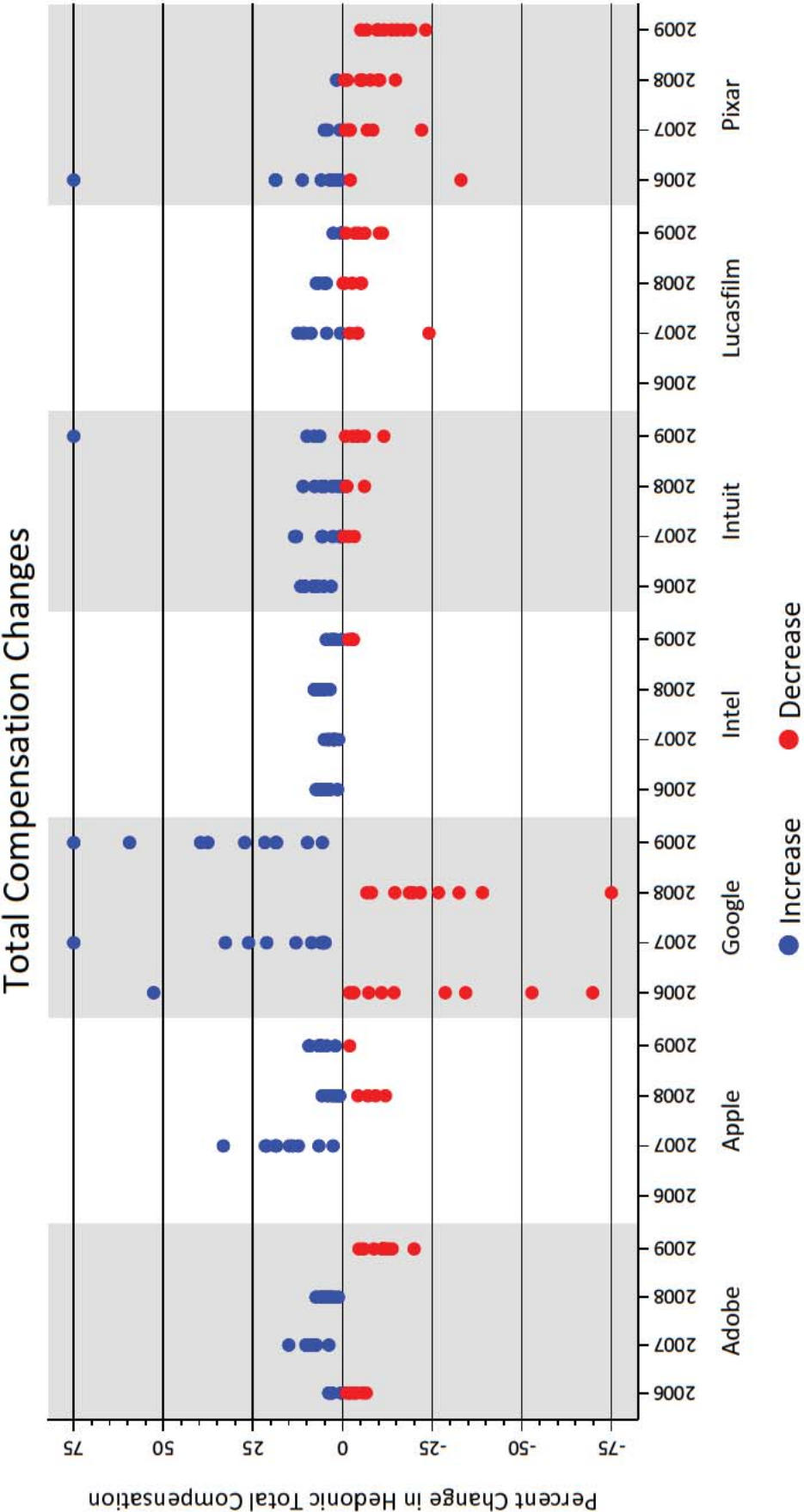
Appendix 8A
Annual Changes in "Constant Attribute Compensation" of Top 10 Job Titles
Base Salary Changes



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Percent changes in hedonic base salary are defined as differences in logs.
[3] Outliers are capped at +/- 20 percent.

Source: Dr. Leamer's backup data and materials.

Appendix 8B
Annual Changes in "Constant Attribute Compensation" of Top 10 Job Titles



Notes:

- [1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
- [2] Percent changes in hedonic total compensation are defined as differences in logs.
- [3] Outliers are capped at +/- 75 percent.

Source: Dr. Leamer's backup data and materials.

Appendix 9A

Dr. Leamer's Figure 20 Regression Including Defendant-Specific Conduct Variables and Other Defendant-Specific Interactive Effects

All-Salaried Employee Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
ADOBE * Conduct * Age	-0.0047 *	0.0026	-1.79
APPLE * Conduct * Age	0.0079 ***	0.0015	5.34
GOOGLE * Conduct * Age	0.0067 ***	0.0020	3.38
INTEL * Conduct * Age	0.0032 ***	0.0006	5.78
INTUIT * Conduct * Age	0.0018	0.0024	0.75
PIXAR * Conduct * Age	0.0152 ***	0.0042	3.59
LUCASFILM * Conduct * Age	-0.0027	0.0074	-0.37
ADOBE * Conduct * Age^2	0.0000	0.0000	1.26
APPLE * Conduct * Age^2	-0.0001 ***	0.0000	-5.58
GOOGLE * Conduct * Age^2	-0.0001 ***	0.0000	-3.44
INTEL * Conduct * Age^2	0.0000 ***	0.0000	-6.83
INTUIT * Conduct * Age^2	0.0000	0.0000	-0.78
PIXAR * Conduct * Age^2	-0.0002 ***	0.0001	-3.52
LUCASFILM * Conduct * Age^2	0.0000	0.0001	0.19
ADOBE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.8370 ***	0.0376	22.24
APPLE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.3141 ***	0.0250	-12.57
GOOGLE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.3453 ***	0.0061	56.20
INTEL * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0323 ***	0.0020	16.45
INTUIT * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.0213 *	0.0127	-1.67
PIXAR * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.1142 ***	0.0342	3.34
LUCASFILM * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0664 ***	0.0169	3.92
ADOBE * Conduct	1.8691 ***	0.0976	19.15
APPLE * Conduct	-0.7391 ***	0.0549	-13.46
GOOGLE * Conduct	0.2602 ***	0.0380	6.84
INTEL * Conduct	0.0240 *	0.0132	1.81
INTUIT * Conduct	-0.1416 ***	0.0576	-2.46
PIXAR * Conduct	0.0277	0.1164	0.24
LUCASFILM * Conduct	0.2427	0.1636	1.48
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.7079 ***	0.0056	125.95
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7265 ***	0.0027	272.85
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.5121 ***	0.0017	294.66
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6721 ***	0.0023	286.66
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.7202 ***	0.0059	121.40
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6619 ***	0.0056	117.60
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.8067 ***	0.0360	22.42
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.2868 ***	0.0055	52.13
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2828 ***	0.0028	102.17
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3466 ***	0.0017	207.40
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.2964 ***	0.0023	129.91
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2541 ***	0.0057	44.21
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1743 ***	0.0053	32.60
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.1922 ***	0.0365	5.26
ADOBE * Log(Age)	0.4727 **	0.2194	2.15
APPLE * Log(Age)	-1.0913 ***	0.1256	-8.69
GOOGLE * Log(Age)	1.0010 ***	0.1547	6.47
INTEL * Log(Age)	-0.2981 ***	0.0485	-6.15
INTUIT * Log(Age)	-0.8571 ***	0.1696	-5.05
PIXAR * Log(Age)	-0.0441	0.4413	-0.10

Appendix 9A

LUCASFILM * Log(Age)	0.0240	0.8306	0.03
ADOBE * Log(Age)^2	-0.0695 ***	0.0297	-2.34
APPLE * Log(Age)^2	0.1235 ***	0.0170	7.24
GOOGLE * Log(Age)^2	-0.1483 ***	0.0214	-6.92
INTEL * Log(Age)^2	0.0348 ***	0.0066	5.30
INTUIT * Log(Age)^2	0.1010 ***	0.0229	4.41
PIXAR * Log(Age)^2	0.0166	0.0605	0.27
LUCASFILM * Log(Age)^2	-0.0085	0.1115	-0.08
Log(Company Tenure) (Months)	-0.0167 ***	0.0050	-3.36
Log(Company Tenure)^2	0.0017 ***	0.0005	3.14
Male	0.0025 ***	0.0005	4.62
DLog(Information Sector Employment in San-Jose)	1.5574 ***	0.0183	85.30
Log(Total Number of Transfers Among Defendants)	0.0770 ***	0.0018	42.53
Year (trend)	-0.0025 ***	0.0003	-7.90
ADOBE * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.0441 ***	0.0095	-4.63
APPLE * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0461 ***	0.0066	6.94
GOOGLE * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.2261 ***	0.0026	-86.41
INTEL * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0049 ***	0.0013	3.77
INTUIT * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0808 ***	0.0046	17.61
PIXAR * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.1603 ***	0.0308	-5.20
LUCASFILM * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.0217	0.0154	-1.41
Log(Total Number of New Hires)	-0.2292 ***	0.0026	-89.66
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0915 ***	0.0043	-21.15
DLog(Firm Revenue Per Employee/CPI) (-1)	0.1646 ***	0.0033	50.39
APPLE	3.3227 ***	0.4646	7.15
GOOGLE	-0.0066	0.4898	-0.01
INTEL	1.6772 ***	0.4130	4.06
INTUIT	2.9576 ***	0.5094	5.81
PIXAR	1.3942	0.9009	1.55
LUCASFILM	0.9044	1.5907	0.57
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.928		
Observations	508,969		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 9B

Dr. Leamer's Figure 23 Regression Including Defendant-Specific Conduct Variables and Other Defendant-Specific Interactive Effects

Technical, Creative and R&D Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
ADOBE * Conduct * Age	-0.0062 *	0.0033	-1.85
APPLE * Conduct * Age	0.0090 ***	0.0020	4.54
GOOGLE * Conduct * Age	0.0074 ***	0.0025	2.93
INTEL * Conduct * Age	0.0035 ***	0.0008	4.42
INTUIT * Conduct * Age	-0.0011	0.0037	-0.29
PIXAR * Conduct * Age	0.0102 *	0.0056	1.83
LUCASFILM * Conduct * Age	0.0036	0.0182	0.20
ADOBE * Conduct * Age^2	0.0001	0.0000	1.37
APPLE * Conduct * Age^2	-0.0001 ***	0.0000	-4.65
GOOGLE * Conduct * Age^2	-0.0001 ***	0.0000	-3.01
INTEL * Conduct * Age^2	0.0000 ***	0.0000	-5.07
INTUIT * Conduct * Age^2	0.0000	0.0000	0.17
PIXAR * Conduct * Age^2	-0.0001 *	0.0001	-1.92
LUCASFILM * Conduct * Age^2	-0.0001	0.0002	-0.41
ADOBE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.9854 ***	0.0482	20.45
APPLE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.1272 ***	0.0345	-3.68
GOOGLE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.3276 ***	0.0088	37.18
INTEL * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0388 ***	0.0026	14.83
INTUIT * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.0750 ***	0.0194	-3.87
PIXAR * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.0642	0.0440	-1.46
LUCASFILM * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0820 ***	0.0276	2.97
ADOBE * Conduct	2.2161 ***	0.1241	17.85
APPLE * Conduct	-0.4323 ***	0.0747	-5.79
GOOGLE * Conduct	0.2078 ***	0.0494	4.21
INTEL * Conduct	0.0548 ***	0.0185	2.97
INTUIT * Conduct	-0.1868 **	0.0875	-2.14
PIXAR * Conduct	-0.2066	0.1508	-1.37
LUCASFILM * Conduct	0.2062	0.3662	0.56
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.6754 ***	0.0075	89.78
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7040 ***	0.0037	192.60
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4607 ***	0.0022	207.91
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6429 ***	0.0029	219.78
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.6772 ***	0.0088	76.81
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6202 ***	0.0084	73.65
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.7676 ***	0.0695	11.04
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.3112 ***	0.0074	42.05
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2864 ***	0.0038	74.62
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3478 ***	0.0021	162.51
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3113 ***	0.0028	109.66
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2930 ***	0.0085	34.49
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.0956 ***	0.0076	12.61
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.2340 ***	0.0702	3.34
ADOBE * Log(Age)	0.3557	0.2812	1.26
APPLE * Log(Age)	-1.2304 ***	0.1670	-7.37
GOOGLE * Log(Age)	0.1880	0.1917	0.98
INTEL * Log(Age)	-0.3725 ***	0.0699	-5.33
INTUIT * Log(Age)	-1.0874 ***	0.2520	-4.31
PIXAR * Log(Age)	0.6246	0.5776	1.08

Appendix 9B

LUCASFILM * Log(Age)	-0.4933	1.5449	-0.32
ADOBE * Log(Age)^2	-0.0547	0.0381	-1.43
APPLE * Log(Age)^2	0.1382 ***	0.0228	6.07
GOOGLE * Log(Age)^2	-0.0387	0.0265	-1.46
INTEL * Log(Age)^2	0.0449 ***	0.0095	4.73
INTUIT * Log(Age)^2	0.1305 ***	0.0342	3.82
PIXAR * Log(Age)^2	-0.0667	0.0793	-0.84
LUCASFILM * Log(Age)^2	0.0634	0.2101	0.30
Log(Company Tenure) (Months)	0.0021	0.0067	0.31
Log(Company Tenure)^2	0.0003	0.0007	0.47
Male	0.0058 ***	0.0008	7.21
DLog(Information Sector Employment in San-Jose)	1.6830 ***	0.0250	67.20
Log(Total Number of Transfers Among Defendants)	0.0854 ***	0.0024	35.18
Year (trend)	-0.0004	0.0004	-0.99
ADOBE * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.0497 ***	0.0122	-4.06
APPLE * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0349 ***	0.0092	3.81
GOOGLE * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.2318 ***	0.0037	-63.00
INTEL * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.0041 ***	0.0018	2.34
INTUIT * Log(Number of New Hires in the Firm/Number of Employees(-1))	0.1109 ***	0.0069	16.17
PIXAR * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.0495	0.0394	-1.26
LUCASFILM * Log(Number of New Hires in the Firm/Number of Employees(-1))	-0.0296	0.0227	-1.31
Log(Total Number of New Hires)	-0.2643 ***	0.0035	-76.33
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0435 ***	0.0058	-7.45
DLog(Firm Revenue Per Employee/CPI) (-1)	0.1532 ***	0.0044	35.02
APPLE	3.4399 ***	0.5998	5.73
GOOGLE	1.5131 ***	0.6217	2.43
INTEL	1.6323 ***	0.5322	3.07
INTUIT	3.2415 ***	0.6919	4.68
PIXAR	0.8473	1.1715	0.72
LUCASFILM	1.4582	2.8740	0.51
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.879		
Observations	295,136		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 10A

Dr. Leamer's Figure 20 Regression Using a Single Conduct Variable

All-Salaried Employee Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
Conduct	-0.0344 ***	0.0008	-41.98
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.6978 ***	0.0054	129.27
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7416 ***	0.0026	279.85
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4943 ***	0.0017	293.50
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6687 ***	0.0024	282.48
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.7117 ***	0.0057	124.33
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6961 ***	0.0069	100.42
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.8118 ***	0.0363	22.36
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.2934 ***	0.0053	55.74
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2595 ***	0.0027	95.36
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3734 ***	0.0016	229.06
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3005 ***	0.0023	130.49
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2522 ***	0.0055	45.49
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1992 ***	0.0067	29.64
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.1798 ***	0.0367	4.90
Log(Age) (Years)	-0.0105	0.0328	-0.32
Log(Age)^2	-0.0076 *	0.0044	-1.72
Log(Company Tenure) (Months)	0.0083 *	0.0050	1.66
Log(Company Tenure)^2	-0.0009 *	0.0006	-1.66
Male	0.0027 ***	0.0005	5.02
DLog(Information Sector Employment in San-Jose)	1.4135 ***	0.0136	103.90
Log(Total Number of Transfers Among Defendants)	0.0959 ***	0.0015	63.66
Year (trend)	-0.0039 ***	0.0003	-14.53
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0169 ***	0.0008	21.61
Log(Total Number of New Hires)	-0.2478 ***	0.0021	-116.78
Log(Firm Revenue Per Employee/CPI) (-1)	-0.1027 ***	0.0034	-30.20
DLog(Firm Revenue Per Employee/CPI) (-1)	0.2162 ***	0.0033	66.49
APPLE	0.0607 ***	0.0162	3.75
GOOGLE	1.0320 ***	0.0174	59.42
INTEL	0.1516 ***	0.0146	10.40
INTUIT	0.1473 ***	0.0193	7.64
PIXAR	0.7075 ***	0.0422	16.77
LUCASFILM	0.1256 ***	0.0480	2.61
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.926		
Observations	504,897		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials.

Appendix 10B

Dr. Leamer's Figure 23 Regression Using a Single Conduct Variable

Technical, Creative and R&D Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
Conduct	-0.0234 ***	0.0011	-20.94
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.6643 ***	0.0072	91.76
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7212 ***	0.0037	197.36
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4403 ***	0.0022	203.78
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6407 ***	0.0030	215.53
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.6578 ***	0.0084	78.28
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6523 ***	0.0106	61.69
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.8457 ***	0.0692	12.21
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.3158 ***	0.0071	44.58
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2581 ***	0.0038	68.54
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3629 ***	0.0021	173.68
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3171 ***	0.0029	110.18
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2967 ***	0.0081	36.48
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1054 ***	0.0097	10.89
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.1456 **	0.0694	2.10
Log(Age) (Years)	-0.1807 ***	0.0463	-3.90
Log(Age)^2	0.0146 **	0.0063	2.32
Log(Company Tenure) (Months)	0.0326 ***	0.0068	4.78
Log(Company Tenure)^2	-0.0028 ***	0.0008	-3.78
Male	0.0065 ***	0.0008	7.89
DLog(Information Sector Employment in San-Jose)	1.5271 ***	0.0189	80.81
Log(Total Number of Transfers Among Defendants)	0.0983 ***	0.0020	48.08
Year (trend)	-0.0009 ***	0.0004	-2.52
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0154 ***	0.0011	14.31
Log(Total Number of New Hires)	-0.2724 ***	0.0029	-93.07
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0811 ***	0.0047	-17.17
DLog(Firm Revenue Per Employee/CPI) (-1)	0.2127 ***	0.0044	48.43
APPLE	0.1244 ***	0.0245	5.08
GOOGLE	1.3816 ***	0.0259	53.33
INTEL	0.1573 ***	0.0219	7.19
INTUIT	0.1486 ***	0.0315	4.71
PIXAR	1.5543 ***	0.0771	20.17
LUCASFILM	0.0296	0.1038	0.29
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.874		
Observations	292,489		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials.

Appendix 10C

"Undercompensation" Estimates Using a Single Conduct Variable in Dr. Leamer's Regression vs. "Undercompensation" Estimates in Dr. Leamer's Figures 22 and 24

All-Salaried Employee Class

Year	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
2005	-1.72%	-1.72%	-1.72%	-1.72%	-11.95%	-10.29%	-10.29%
2006	-4.63%	-4.71%	-4.28%	-4.58%	-14.77%	-12.23%	-12.23%
2007	-7.17%	-7.37%	-6.19%	-7.02%	-3.44%	-17.58%	-14.00%
2008	-9.80%	-10.13%	-8.10%	-9.51%	-5.88%	-20.36%	-15.61%
2009	-9.80%	-10.28%	-7.17%	-9.32%	-5.91%	-20.55%	-14.52%

All-Salaried Employee Class

Year	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
2005	-1.61%	-1.59%	-1.78%	-1.67%		-12.13%	-10.56%
2006	-4.28%	-4.43%	-4.44%	-4.70%		-14.63%	-12.44%
2007	-6.64%	-6.94%	-6.39%	-7.46%	-3.24%	-17.24%	-14.28%
2008	-9.08%	-9.56%	-8.40%	-10.05%	-5.64%	-19.94%	-15.76%
2009	-9.15%	-9.73%	-7.51%	-9.95%	-5.70%	-20.12%	-14.65%

Technical, Creative and R&D Class

Year	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
2005	-1.17%	-1.17%	-1.17%	-1.17%		-8.33%	-6.08%
2006	-3.12%	-3.19%	-2.86%	-3.09%		-10.31%	-6.85%
2007	-4.78%	-4.94%	-4.03%	-4.69%	-2.34%	-12.27%	-7.45%
2008	-6.50%	-6.73%	-5.15%	-6.33%	-3.88%	-14.22%	-7.92%
2009	-6.42%	-6.71%	-4.31%	-6.13%	-3.83%	-14.40%	-6.54%

Technical, Creative and R&D Class

Year	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
2005	-1.56%	-1.90%	-3.07%	-1.64%		-10.80%	-9.28%
2006	-4.29%	-4.96%	-7.23%	-3.06%		-14.77%	-10.47%
2007	-6.48%	-7.79%	-9.36%	-3.38%	-3.41%	-18.08%	-10.61%
2008	-8.80%	-10.64%	-11.20%	-4.76%	-5.21%	-20.44%	-11.87%
2009	-8.44%	-10.51%	-9.00%	-4.19%	-4.96%	-20.54%	-9.62%

Source: Leamer Figure 20 and 23 regressions excluding conduct interactions with age and hiring rate.

Appendix 11A

Dr. Leamer's Figure 20 Regression Including Defendant-Specific Conduct Variables

All-Salaried Employee Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
ADOBE * Conduct	0.0053 *	0.0028	1.89
APPLE * Conduct	-0.0139 ***	0.0019	-7.37
GOOGLE * Conduct	-0.0969 ***	0.0021	-45.25
INTEL * Conduct	-0.0304 ***	0.0009	-33.37
INTUIT * Conduct	-0.0600 ***	0.0026	-23.17
PIXAR * Conduct	0.0396 ***	0.0048	8.34
LUCASFILM * Conduct	0.0000	0.0075	0.00
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.6855 ***	0.0056	122.85
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7361 ***	0.0027	276.84
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4858 ***	0.0017	283.31
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6721 ***	0.0024	283.28
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.7173 ***	0.0058	122.92
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6857 ***	0.0055	124.10
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.7984 ***	0.0364	21.92
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.3056 ***	0.0055	56.03
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2645 ***	0.0027	96.26
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3741 ***	0.0016	228.53
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.2976 ***	0.0023	128.96
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2466 ***	0.0056	43.72
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1758 ***	0.0053	33.30
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.2003 ***	0.0369	5.43
Log(Age) (Years)	-0.0244	0.0327	-0.75
Log(Age)^2	-0.0057	0.0044	-1.28
Log(Company Tenure) (Months)	-0.0128 ***	0.0050	-2.55
Log(Company Tenure)^2	0.0013 ***	0.0006	2.42
Male	0.0032 ***	0.0005	5.82
DLog(Information Sector Employment in San-Jose)	1.4228 ***	0.0136	104.42
Log(Total Number of Transfers Among Defendants)	0.0800 ***	0.0015	53.90
Year (trend)	-0.0032 ***	0.0003	-12.13
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0128 ***	0.0008	16.20
Log(Total Number of New Hires)	-0.2273 ***	0.0021	-108.21
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0677 ***	0.0033	-20.55
DLog(Firm Revenue Per Employee/CPI) (-1)	0.1461 ***	0.0029	50.95
APPLE	0.0492 ***	0.0163	3.02
GOOGLE	1.0950 ***	0.0176	62.24
INTEL	0.1587 ***	0.0147	10.82
INTUIT	0.1818 ***	0.0193	9.40
PIXAR	0.7905 ***	0.0264	29.96
LUCASFILM	0.0271	0.0503	0.54
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.926		
Observations	508,969		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 11B

Dr. Leamer's Figure 23 Regression Including Defendant-Specific Conduct Variables

Technical, Creative and R&D Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
ADOBE * Conduct	0.0175 ***	0.0036	4.80
APPLE * Conduct	-0.0227 ***	0.0026	-8.71
GOOGLE * Conduct	-0.1219 ***	0.0029	-42.51
INTEL * Conduct	-0.0124 ***	0.0012	-10.12
INTUIT * Conduct	-0.0512 ***	0.0040	-12.96
PIXAR * Conduct	0.0800 ***	0.0061	13.10
LUCASFILM * Conduct	0.0204	0.0130	1.57
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.6517 ***	0.0075	86.93
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7204 ***	0.0036	197.54
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4279 ***	0.0022	195.45
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6449 ***	0.0030	217.17
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.6682 ***	0.0086	77.99
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6623 ***	0.0081	81.28
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.7861 ***	0.0701	11.21
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.3285 ***	0.0074	44.62
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2566 ***	0.0038	67.66
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3684 ***	0.0021	175.48
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3140 ***	0.0029	109.24
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2870 ***	0.0083	34.76
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1014 ***	0.0075	13.58
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.2148 ***	0.0707	3.04
Log(Age) (Years)	-0.2111 ***	0.0461	-4.58
Log(Age)^2	0.0187 ***	0.0063	2.99
Log(Company Tenure) (Months)	0.0011	0.0068	0.16
Log(Company Tenure)^2	0.0005	0.0008	0.73
Male	0.0067 ***	0.0008	8.24
DLog(Information Sector Employment in San-Jose)	1.5258 ***	0.0189	80.88
Log(Total Number of Transfers Among Defendants)	0.0805 ***	0.0020	40.21
Year (trend)	0.0000	0.0004	-0.08
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0145 ***	0.0011	13.40
Log(Total Number of New Hires)	-0.2548 ***	0.0029	-88.38
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0402 ***	0.0045	-8.91
DLog(Firm Revenue Per Employee/CPI) (-1)	0.1324 ***	0.0038	34.60
APPLE	0.1309 ***	0.0246	5.32
GOOGLE	1.4469 ***	0.0261	55.52
INTEL	0.1653 ***	0.0220	7.53
INTUIT	0.1840 ***	0.0315	5.83
PIXAR	1.3668 ***	0.0455	30.03
LUCASFILM	-0.0872	0.1064	-0.82
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.874		
Observations	295,136		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 11C

"Undercompensation" Estimates Using Defendant-Specific Conduct Variables in Dr. Leamer's Regression vs. "Undercompensation" Estimates in Dr. Leamer's Figures 22 and 24

All-Salaried Employee Class

Year	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
2005	0.26%	-0.69%	-4.85%	-1.52%		0.01%	11.48%
2006	0.71%	-1.90%	-12.04%	-4.06%		0.01%	13.46%
2007	1.09%	-2.97%	-17.35%	-6.23%	-6.00%	0.01%	15.21%
2008	1.49%	-4.08%	-22.63%	-8.44%	-10.30%	0.02%	16.76%
2009	1.49%	-4.13%	-19.91%	-8.28%	-10.36%	0.02%	15.16%

All-Salaried Employee Class

Year	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
2005	-1.61%	-1.59%	-1.78%	-1.67%		-12.13%	-10.56%
2006	-4.28%	-4.43%	-4.44%	-4.70%		-14.63%	-12.44%
2007	-6.64%	-6.94%	-6.39%	-7.46%	-3.24%	-17.24%	-14.28%
2008	-9.08%	-9.56%	-8.40%	-10.05%	-5.64%	-19.94%	-15.76%
2009	-9.15%	-9.73%	-7.51%	-9.95%	-5.70%	-20.12%	-14.65%

Technical, Creative and R&D Class

Year	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
2005	0.87%	-1.13%	-6.09%	-0.62%		7.02%	21.01%
2006	2.32%	-3.08%	-14.79%	-1.64%		8.71%	23.69%
2007	3.55%	-4.78%	-20.76%	-2.50%	-5.12%	10.39%	25.82%
2008	4.82%	-6.50%	-26.52%	-3.37%	-8.55%	12.08%	27.50%
2009	4.74%	-6.47%	-22.04%	-3.27%	-8.46%	12.24%	22.83%

Technical, Creative and R&D Class

Year	Adobe	Apple	Google	Intel	Intuit	Lucasfilm	Pixar
2005	-1.56%	-1.90%	-3.07%	-1.64%		-10.80%	-9.28%
2006	-4.29%	-4.96%	-7.23%	-3.06%		-14.77%	-10.47%
2007	-6.48%	-7.79%	-9.36%	-3.38%	-3.41%	-18.08%	-10.61%
2008	-8.80%	-10.64%	-11.20%	-4.76%	-5.21%	-20.44%	-11.87%
2009	-8.44%	-10.51%	-9.00%	-4.19%	-4.96%	-20.54%	-9.62%

Source: Leamer Figure 20 and 23 regressions excluding conduct interactions with age and hiring rate, and including company-conduct interactions. Pixar revenue data after 2005 are included.

Appendix 12A

Dr. Leamer's Figure 20 Regression Using Pre-Conduct Period as Benchmark

All-Salaried Employee Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
Conduct * Age	0.0056 ***	0.0005	10.83
Conduct * Age^2	-0.0001 ***	0.0000	-11.78
Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1))	-0.0391 ***	0.0010	-40.01
Conduct	-0.2432 ***	0.0111	-21.97
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.7667 ***	0.0062	122.75
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7374 ***	0.0033	223.86
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.5619 ***	0.0023	245.29
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6743 ***	0.0026	263.51
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.7086 ***	0.0062	114.53
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6957 ***	0.0056	123.46
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.7392 ***	0.0390	18.95
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.2167 ***	0.0061	35.43
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2637 ***	0.0034	77.79
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3504 ***	0.0020	178.13
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.2932 ***	0.0025	118.61
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2459 ***	0.0059	41.50
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1477 ***	0.0054	27.16
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.2434 ***	0.0395	6.16
Log(Age) (Years)	-0.4166 ***	0.0537	-7.75
Log(Age)^2	0.0498 ***	0.0073	6.79
Log(Company Tenure) (Months)	0.0684 ***	0.0057	12.04
Log(Company Tenure)^2	-0.0068 ***	0.0006	-10.87
Male	0.0030 ***	0.0006	4.83
DLog(Information Sector Employment in San-Jose)	1.2592 ***	0.0166	75.70
Log(Total Number of Transfers Among Defendants)	0.0789 ***	0.0018	42.98
Year (trend)	-0.0105 ***	0.0003	-29.97
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0197 ***	0.0010	19.03
Log(Total Number of New Hires)	-0.2174 ***	0.0030	-71.92
Log(Firm Revenue Per Employee/CPI) (-1)	0.0928 ***	0.0045	20.50
DLog(Firm Revenue Per Employee/CPI) (-1)	0.1286 ***	0.0033	38.95
APPLE	-0.1111 ***	0.0194	-5.71
GOOGLE	0.6086 ***	0.0217	28.00
INTEL	0.1019 ***	0.0173	5.89
INTUIT	0.2270 ***	0.0223	10.17
PIXAR	0.9625 ***	0.0302	31.82
LUCASFILM	-0.1298 **	0.0626	-2.07
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.924		
Observations	381,288		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 12B

Dr. Leamer's Figure 23 Regression Using Pre-Conduct Period as Benchmark

Technical, Creative and R&D Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
Conduct * Age	0.0061 ***	0.0008	8.05
Conduct * Age^2	-0.0001 ***	0.0000	-8.90
Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1))	-0.0546 ***	0.0013	-40.90
Conduct	-0.2967 ***	0.0159	-18.61
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.7426 ***	0.0083	89.58
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7137 ***	0.0047	151.39
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4868 ***	0.0031	157.85
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6285 ***	0.0032	195.11
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.6641 ***	0.0093	71.55
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6794 ***	0.0084	81.00
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.6826 ***	0.0827	8.25
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.2307 ***	0.0081	28.45
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2675 ***	0.0049	54.82
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3341 ***	0.0026	129.27
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3232 ***	0.0031	104.05
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2842 ***	0.0088	32.11
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.0644 ***	0.0078	8.27
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.2566 ***	0.0822	3.12
Log(Age) (Years)	-0.5769 ***	0.0798	-7.23
Log(Age)^2	0.0720 ***	0.0109	6.59
Log(Company Tenure) (Months)	0.0994 ***	0.0079	12.64
Log(Company Tenure)^2	-0.0093 ***	0.0009	-10.65
Male	0.0065 ***	0.0009	6.89
DLog(Information Sector Employment in San-Jose)	1.1685 ***	0.0234	49.89
Log(Total Number of Transfers Among Defendants)	0.0782 ***	0.0025	30.91
Year (trend)	-0.0042 ***	0.0005	-8.83
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0239 ***	0.0014	16.49
Log(Total Number of New Hires)	-0.2084 ***	0.0043	-48.83
Log(Firm Revenue Per Employee/CPI) (-1)	0.1131 ***	0.0062	18.39
DLog(Firm Revenue Per Employee/CPI) (-1)	0.1164 ***	0.0044	26.21
APPLE	-0.0573 **	0.0292	-1.96
GOOGLE	1.1501 ***	0.0330	34.87
INTEL	0.1375 ***	0.0256	5.38
INTUIT	0.2064 ***	0.0364	5.67
PIXAR	1.5840 ***	0.0521	30.41
LUCASFILM	0.0853	0.1652	0.52
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.866		
Observations	216,253		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 12C

Dr. Leamer's Figure 20 Regression Using Post-Conduct Period as Benchmark

All-Salaried Employee Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
Conduct * Age	0.0078 ***	0.0006	13.85
Conduct * Age^2	-0.0001 ***	0.0000	-13.31
Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0114 ***	0.0009	12.67
Conduct	-0.0973 ***	0.0121	-8.06
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.7630 ***	0.0069	110.30
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7349 ***	0.0029	250.23
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.5002 ***	0.0018	277.95
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6763 ***	0.0034	200.70
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.8207 ***	0.0103	79.39
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.7036 ***	0.0058	122.35
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.8750 ***	0.0378	23.12
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.2528 ***	0.0070	36.11
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2602 ***	0.0031	85.08
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3684 ***	0.0017	213.20
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3235 ***	0.0034	95.84
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.1548 ***	0.0104	14.95
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1769 ***	0.0055	32.24
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.1143 ***	0.0382	2.99
Log(Age) (Years)	-0.6760 ***	0.0560	-12.08
Log(Age)^2	0.0797 ***	0.0076	10.55
Log(Company Tenure) (Months)	-0.0254 ***	0.0058	-4.39
Log(Company Tenure)^2	0.0020 ***	0.0006	3.21
Male	0.0021 ***	0.0006	3.34
DLog(Information Sector Employment in San-Jose)	-0.8493 ***	0.0541	-15.70
Log(Total Number of Transfers Among Defendants)	0.0287 ***	0.0019	15.14
Year (trend)	0.0113 ***	0.0005	23.30
Log(Number of New Hires In the Firm/Number of Employees(-1))	-0.0325 ***	0.0012	-26.15
Log(Total Number of New Hires)	0.0683 ***	0.0059	11.64
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0268 ***	0.0040	-6.61
DLog(Firm Revenue Per Employee/CPI) (-1)	0.1248 ***	0.0032	39.43
APPLE	0.2203 ***	0.0187	11.80
GOOGLE	1.1437 ***	0.0196	58.31
INTEL	0.0757 ***	0.0169	4.47
INTUIT	0.2278 ***	0.0247	9.23
PIXAR	0.8522 ***	0.0283	30.13
LUCASFILM	0.1705 ***	0.0507	3.36
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.922		
Observations	399,299		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 12D

Dr. Leamer's Figure 23 Regression Using Post-Conduct Period as Benchmark

Technical, Creative and R&D Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
Conduct * Age	0.0096 ***	0.0008	12.31
Conduct * Age^2	-0.0001 ***	0.0000	-11.96
Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0008	0.0012	0.70
Conduct	-0.1544 ***	0.0165	-9.37
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.7523 ***	0.0092	81.89
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7161 ***	0.0039	181.32
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4438 ***	0.0023	193.37
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6464 ***	0.0041	156.05
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.7732 ***	0.0151	51.22
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.7071 ***	0.0085	83.39
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.9511 ***	0.0719	13.24
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.2530 ***	0.0094	26.98
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2581 ***	0.0041	62.57
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3655 ***	0.0022	165.61
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3478 ***	0.0041	84.01
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.1837 ***	0.0151	12.18
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1052 ***	0.0078	13.57
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.0413	0.0720	0.57
Log(Age) (Years)	-0.9447 ***	0.0755	-12.51
Log(Age)^2	0.1145 ***	0.0102	11.21
Log(Company Tenure) (Months)	-0.0094	0.0078	-1.21
Log(Company Tenure)^2	0.0008	0.0009	0.98
Male	0.0065 ***	0.0009	6.91
DLog(Information Sector Employment in San-Jose)	-0.9430 ***	0.0718	-13.14
Log(Total Number of Transfers Among Defendants)	0.0088 ***	0.0026	3.41
Year (trend)	0.0148 ***	0.0006	22.84
Log(Number of New Hires In the Firm/Number of Employees(-1))	-0.0367 ***	0.0017	-21.93
Log(Total Number of New Hires)	0.0834 ***	0.0078	10.64
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0112 **	0.0054	-2.05
DLog(Firm Revenue Per Employee/CPI) (-1)	0.1110 ***	0.0042	26.40
APPLE	0.2949 ***	0.0283	10.42
GOOGLE	1.4735 ***	0.0292	50.43
INTEL	0.0390	0.0255	1.53
INTUIT	0.2932 ***	0.0406	7.21
PIXAR	1.2492 ***	0.0487	25.67
LUCASFILM	0.0692	0.1083	0.64
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.869		
Observations	236,748		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 13A

Dr. Leamer's Figure 20 Regression Estimated Using Non-Conduct Period Data

All-Salaried Employee Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.6108 ***	0.0072	84.47
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7408 ***	0.0036	205.55
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4578 ***	0.0026	175.14
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6685 ***	0.0034	196.94
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.7266 ***	0.0063	115.16
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.8377 ***	0.0219	38.18
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.9990 ***	0.0845	11.82
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.3441 ***	0.0067	51.72
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2708 ***	0.0036	74.65
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3957 ***	0.0028	141.55
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.2620 ***	0.0032	81.66
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2413 ***	0.0060	40.26
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1329 ***	0.0201	6.60
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.0161	0.0856	0.19
Log(Age) (Years)	0.0292	0.0436	0.67
Log(Age)^2	-0.0122 **	0.0059	-2.07
Log(Company Tenure) (Months)	-0.0613 ***	0.0071	-8.59
Log(Company Tenure)^2	0.0064 ***	0.0008	8.21
Male	0.0041 ***	0.0007	5.58
DLog(Information Sector Employment in San-Jose)	1.3739 ***	0.0252	54.58
Log(Total Number of Transfers Among Defendants)	0.0610 ***	0.0027	22.79
Year (trend)	0.0028 ***	0.0007	3.93
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0365 ***	0.0013	27.33
Log(Total Number of New Hires)	-0.2303 ***	0.0053	-43.47
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0961 ***	0.0048	-19.94
DLog(Firm Revenue Per Employee/CPI) (-1)	0.0715 ***	0.0062	11.50
APPLE	-0.2454 ***	0.0216	-11.37
GOOGLE	0.8453 ***	0.0233	36.31
INTEL	0.1981 ***	0.0195	10.18
INTUIT	-0.0736 ***	0.0242	-3.04
PIXAR	-0.0559	0.0473	-1.18
LUCASFILM	-0.2748 ***	0.0708	-3.88
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.937		
Observations	237,351		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 13B

Dr. Leamer's Figure 23 Regression Estimated Using Non-Conduct Period Data

Technical, Creative and R&D Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.5929 ***	0.0100	59.23
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7428 ***	0.0049	151.07
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4205 ***	0.0033	129.36
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6526 ***	0.0043	153.41
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.7101 ***	0.0092	76.79
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.9381 ***	0.0359	26.12
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.9713 ***	0.1224	7.94
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.3475 ***	0.0092	37.69
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2392 ***	0.0050	48.28
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3895 ***	0.0036	108.96
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.2660 ***	0.0040	66.55
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2593 ***	0.0087	29.69
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.0343	0.0307	1.12
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.0629	0.1247	0.50
Log(Age) (Years)	-0.2740 ***	0.0614	-4.46
Log(Age)^2	0.0282 ***	0.0083	3.38
Log(Company Tenure) (Months)	-0.0758 ***	0.0096	-7.89
Log(Company Tenure)^2	0.0086 ***	0.0011	8.09
Male	0.0071 ***	0.0011	6.43
DLog(Information Sector Employment in San-Jose)	1.3635 ***	0.0362	37.70
Log(Total Number of Transfers Among Defendants)	0.0650 ***	0.0038	17.33
Year (trend)	0.0034 ***	0.0011	3.16
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0495 ***	0.0018	26.92
Log(Total Number of New Hires)	-0.2480 ***	0.0078	-31.98
Log(Firm Revenue Per Employee/CPI) (-1)	-0.0458 ***	0.0067	-6.82
DLog(Firm Revenue Per Employee/CPI) (-1)	0.0388 ***	0.0086	4.51
APPLE	-0.1750 ***	0.0326	-5.37
GOOGLE	0.9977 ***	0.0343	29.13
INTEL	0.2041 ***	0.0293	6.96
INTUIT	-0.1603 ***	0.0388	-4.13
PIXAR	-0.1585 *	0.0893	-1.77
LUCASFILM	-0.5484 ***	0.1265	-4.34
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.895		
Observations	137,271		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

Appendix 14A

Dr. Leamer's Figure 20 Regression Including Change in S&P 500

All-Salaried Employee Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
Conduct * Age	0.0066 ***	0.0005	13.98
Conduct * Age^2	-0.0001 ***	0.0000	-13.83
Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0043 ***	0.0008	5.54
Conduct	-0.1309 ***	0.0100	-13.04
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.6894 ***	0.0054	126.98
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7449 ***	0.0027	280.12
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4988 ***	0.0017	293.05
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6678 ***	0.0024	282.12
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.7070 ***	0.0058	122.77
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6943 ***	0.0069	100.22
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.8204 ***	0.0363	22.62
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.3023 ***	0.0053	57.04
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2581 ***	0.0027	94.33
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3694 ***	0.0016	225.49
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3012 ***	0.0023	130.80
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2567 ***	0.0056	46.04
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1985 ***	0.0067	29.56
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.1737 ***	0.0366	4.74
Log(Age) (Years)	-0.3495 ***	0.0415	-8.42
Log(Age)^2	0.0380 ***	0.0056	6.74
Log(Company Tenure) (Months)	0.0039	0.0050	0.78
Log(Company Tenure)^2	-0.0005	0.0006	-0.92
Male	0.0027 ***	0.0005	4.93
DLog(Information Sector Employment in San-Jose)	1.5373 ***	0.0151	101.59
Log(Total Number of Transfers Among Defendants)	0.0566 ***	0.0020	27.69
DLog(S&P 500 Net Total Return Index/CPI)	0.0656 ***	0.0023	28.72
Year (trend)	0.0026 ***	0.0003	7.45
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0135 ***	0.0009	14.55
Log(Total Number of New Hires)	-0.2182 ***	0.0024	-92.01
Log(Firm Revenue Per Employee/CPI) (-1)	-0.1319 ***	0.0037	-36.14
DLog(Firm Revenue Per Employee/CPI) (-1)	0.2371 ***	0.0033	70.97
APPLE	0.0747 ***	0.0162	4.62
GOOGLE	1.0592 ***	0.0174	60.95
INTEL	0.1542 ***	0.0146	10.59
INTUIT	0.1485 ***	0.0193	7.71
PIXAR	0.7001 ***	0.0422	16.60
LUCASFILM	0.1483 ***	0.0480	3.09
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.926		
Observations	504,897		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials.

Appendix 14B

Dr. Leamer's Figure 23 Regression Including Change in S&P 500

Technical, Creative and R&D Class

Dependant Variable: Log(Total Annual Compensation/CPI)

Variable	Estimate	St. Error	T-Value
Conduct * Age	0.0077 ***	0.0007	11.44
Conduct * Age^2	-0.0001 ***	0.0000	-11.18
Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1))	-0.0099 ***	0.0010	-9.44
Conduct	-0.1717 ***	0.0141	-12.16
ADOBE * Log(Total Annual Compensation/CPI) (-1)	0.6662 ***	0.0073	91.42
APPLE * Log(Total Annual Compensation/CPI) (-1)	0.7299 ***	0.0037	199.33
GOOGLE * Log(Total Annual Compensation/CPI) (-1)	0.4425 ***	0.0022	202.73
INTEL * Log(Total Annual Compensation/CPI) (-1)	0.6405 ***	0.0030	215.77
INTUIT * Log(Total Annual Compensation/CPI) (-1)	0.6672 ***	0.0085	78.91
PIXAR * Log(Total Annual Compensation/CPI) (-1)	0.6508 ***	0.0106	61.63
LUCASFILM * Log(Total Annual Compensation/CPI) (-1)	0.8548 ***	0.0691	12.37
ADOBE * Log(Total Annual Compensation/CPI) (-2)	0.3141 ***	0.0071	44.00
APPLE * Log(Total Annual Compensation/CPI) (-2)	0.2505 ***	0.0038	66.22
GOOGLE * Log(Total Annual Compensation/CPI) (-2)	0.3607 ***	0.0021	171.44
INTEL * Log(Total Annual Compensation/CPI) (-2)	0.3177 ***	0.0029	110.53
INTUIT * Log(Total Annual Compensation/CPI) (-2)	0.2888 ***	0.0082	35.32
PIXAR * Log(Total Annual Compensation/CPI) (-2)	0.1053 ***	0.0097	10.90
LUCASFILM * Log(Total Annual Compensation/CPI) (-2)	0.1398 **	0.0692	2.02
Log(Age) (Years)	-0.5757 ***	0.0587	-9.80
Log(Age)^2	0.0676 ***	0.0080	8.46
Log(Company Tenure) (Months)	0.0204 ***	0.0068	3.00
Log(Company Tenure)^2	-0.0016 **	0.0008	-2.14
Male	0.0064 ***	0.0008	7.86
DLog(Information Sector Employment in San-Jose)	1.5716 ***	0.0209	75.07
Log(Total Number of Transfers Among Defendants)	0.0443 ***	0.0028	16.05
DLog(S&P 500 Net Total Return Index/CPI)	0.0881 ***	0.0031	28.55
Year (trend)	0.0078 ***	0.0005	16.67
Log(Number of New Hires In the Firm/Number of Employees(-1))	0.0213 ***	0.0013	16.62
Log(Total Number of New Hires)	-0.2308 ***	0.0033	-70.79
Log(Firm Revenue Per Employee/CPI) (-1)	-0.1028 ***	0.0051	-20.31
DLog(Firm Revenue Per Employee/CPI) (-1)	0.2359 ***	0.0045	52.12
APPLE	0.1328 ***	0.0244	5.44
GOOGLE	1.4013 ***	0.0259	54.09
INTEL	0.1574 ***	0.0218	7.20
INTUIT	0.1378 ***	0.0315	4.38
PIXAR	1.5355 ***	0.0770	19.94
LUCASFILM	0.0399	0.1036	0.38
Location (State) Indicators	YES		
Constant	YES		
R-Square	0.875		
Observations	292,489		

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials.